The Vancouver School Board Resource Allocation Review 2015

Final Report
May 15, 2015
Important Notice to Readers

This report is issued by PricewaterhouseCoopers LLP (“PwC”) to the Senior Management of Vancouver School Board (“VSB”) and the Board of Trustees in connection with the Resource Allocation Review. This report was prepared by PwC for the sole and exclusive use of the VSB and the Board of Trustees. PwC accepts no liability or responsibility whatsoever to any third parties which may arise from their reliance on the contents of this report.

Our work did not constitute an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls or other attestation or review services in accordance with standards established by the Canadian Institute of Chartered Accountants (“CICA”). Accordingly, we do not express an opinion or any other form of assurance on the financial or other information, or operating and internal controls, of VSB.

Our work was based primarily on information supplied by the management of VSB and was carried out on the basis that such information is accurate and complete. Information was not subject to checking or verification procedures, except to the extent expressly stated to form part of the scope of our work. In particular, PwC did not assess the accuracy or completeness of the Fiscal Year 2015/2016 budget deficit as presented by the Vancouver School Board.

We make no representation regarding the sufficiency of our work either for the purposes for which this report has been requested or for any other purpose.
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Executive Summary

For 2015/2016 the Vancouver School Board (“VSB”) is projecting an operating funding shortfall of $8.52 million. PricewaterhouseCoopers LLP (“we” or “us” or “PwC”) was engaged to perform advisory services with specific focus on:

(a) assessing progress that has already been made by the VSB on recommendations from the 2012 Resource Allocation Review report;
(b) providing independent perspective on management proposals for addressing current budget shortfall; and
(c) recommending additional initiatives for consideration based on leading practices and trends in the education sector.

Through structured interviews with VSB staff, documentation review, and comparative research on peer school boards, PwC has prepared this interim report which provides a summary of findings and insights into areas where significant improvement is seen and those requiring further focus and attention to realize maximum benefits. Key highlights of the report include:

- Significant benefits have been accumulated since 2012, consisting of $9.23m cost savings, $2.02m cost avoidance and $7.69m additional revenue generated
- Through implementation of recommended initiatives in technology investment and employee wellness management, the VSB is seeing significant value to the learning environment
- Management proposals are appropriate based on the current conditions to achieve a balanced operating budget
- Additional initiatives for consideration have direct linkage to previously recommended actions to further leverage benefits

All findings provided in this report are based on empirical evidence, external research and the experience of the management of VSB. As such, PwC recommends Vancouver School Board give due consideration to these opportunities and the importance to its core vision.
Background and Scope
1.0 Background and Scope

**Background**

In 2012 PricewaterhouseCoopers LLP (“we” or “us” or “PwC”) worked with the Vancouver School Board (“VSB”) on the Resource Allocation Review project with the aim of reducing a projected $8.5M budget shortfall. The VSB was able to balance the 2012/2013 budget but subsequent years saw further budget shortfalls which necessitated the drawing down of operating reserves in order to balance the budget.

For 2015/2016 the VSB is again projecting a substantial budget shortfall. The precise magnitude of the funding shortfall for the VSB will not be known until the province announces the 2015/2016 preliminary operating grants for school districts. However, at the time of engagement with PwC, it is projected that the VSB will be facing a preliminary operating funding shortfall of $14.77 million. As of March 31, 2015, the funding shortfall has been reduced to $8.52 million based on adjustments made on key assumptions around projected enrolment changes, enrolment driven revenue and staffing changes, estimated salary and employee benefit increases, inflation and non-recurring funding sources.

**Scope and Limitations**

PwC was engaged by the VSB to perform the following advisory services:

A. Review the recommendations of the 2012 Resource Allocation Review report and assess the progress that has already been made by the VSB;

B. Analyze the 2015/16 management proposals for addressing the current budget shortfall, and provide an independent perspective on these management proposals; and

C. Recommend additional initiatives for consideration (beyond management’s proposals) based on leading practices and trends in the education sector.
1.0 Background and Scope

Similar to the 2012 Resource Allocation Review, the following factors were taken into account:

- alignment with VSB’s Strategic Plan
- applicable legislative constraints such as the School Act and Regulations,
- existing Collective Agreements for unionized staff,
- existing employment terms and conditions for school administrators and excluded staff,
- any existing restrictions on school consolidations and/or closures, and
- minimizing, as much as possible, any negative impact on classrooms

We provide no opinion, attestation or other form of assurance with respect to our work or the information upon which our work is based. The procedures we performed under this Agreement do not constitute an examination or a review in accordance with generally accepted auditing standards or attestation standards. We did not audit or otherwise verify the information supplied to us in connection with any engagement under this appointment, from whatever source, except as specified in the engagement letter.

Expected Outcome

As a result of this project we will create following deliverables:

i. Interim report and presentation to the Board of Trustees
ii. Final report including recommendations to help address the projected budget shortfall
Approach

2
2.0 Approach

Over the course of a five-week period, PwC conducted a review of areas covered in the engagement scope.

Progress made on cost reduction and revenue generation opportunities from 2012 were assessed and validated using information from a variety of sources such as over 30 on-site interviews with Senior Management Team and key staff informants and approximately 60 documents provided by VSB, including internal and external studies prepared for the school board. The recommended initiatives from 2012 were grouped into clusters: Fully Implemented; In Process; Minimal Progress

To validate benefits achieved from implementation of 2012 recommendations, we utilized this approach:

i. Reviewed benefit assumptions noted during the 2012 review and assessed validity of recommended actions and VSB’s ability to implement with current conditions

ii. Assessed timing of implementation and when benefits realization begun; and whether it is a one-time or recurring benefit. 2011/2012 budget year was used as baseline

iii. Aggregated savings amount up to the current 2014/2015 amended budget

iv. Classified benefits into three distinct groups:
   1) Cost savings – cost reductions that have direct budget impact; “green dollars”
   2) Cost avoidance – cost avoided or contained but did not have direct impact to the budget; “brown dollars”; includes process efficiencies
   3) Revenue – incremental revenue generated that have direct budget impact

Our perspective on the 2015-2016 Management Proposals were formulated through detailed review sessions with VSB team and utilizing external research from public sector subject matter advisors and data from peer school boards.

Leveraging learnings from our review sessions with VSB team and research on successful implementations of cost and process efficiencies with other school districts, we developed a list of additional opportunities for VSB’s consideration.
Summary of Findings
3.0 Summary of Findings - A

Estimated Net Accumulated Benefits since 2012

The top 5 recommendations in terms of net accumulated benefits accounted for roughly 73% of the total benefits accumulated since 2012.
### 3.0 Summary of Findings - A

#### Initiatives Progression since 2012

Of the 29 recommendations, six (6) have been fully implemented, 19 are in the process of implementation and four (4) had minimal progression.

<table>
<thead>
<tr>
<th>Minimal Progress</th>
<th>In Process</th>
<th>Fully Implemented</th>
</tr>
</thead>
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<tr>
<td>6.3 VOIP Telephone &amp; Voicemail Services</td>
<td>5.1 Sourcing</td>
<td>5.3 Continuing Education</td>
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<td>7.1 Operational Planning</td>
<td>5.2 Adult Education</td>
<td>5.4 Employee Wellness Management</td>
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<td>7.11 Enterprise Risk Management</td>
<td>5.5 Cafeteria Costs</td>
<td>5.9 Mileage Reimbursement Costs</td>
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<td>7.8 Succession Planning/Transition Process</td>
<td>5.6 Britannia Operating Costs</td>
<td>5.10 Cash and Investment Management</td>
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<td>5.7 Leasing Costs</td>
<td>5.11 Bus Fare Reimbursement Costs</td>
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<td></td>
<td>5.8 Space Utilization and Alternative Use</td>
<td>5.12 International Baccalaureate Program &amp; Advanced Placement Exams</td>
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<td></td>
<td>5.13 Printing and Copying Costs</td>
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<td></td>
<td>6.1 Additional Enrolment Opportunities</td>
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<td></td>
<td>6.2 Redeployment of VSB Properties</td>
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<td></td>
<td>6.4 Digital Media</td>
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<tr>
<td></td>
<td>6.5 Records Management</td>
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<tr>
<td>7.2 Shared Services / Outsourcing</td>
<td>7.3 IT Strategic Planning</td>
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<td>7.4 Application and Systems Integration</td>
<td>7.4 Application and Systems Integration</td>
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<tr>
<td>7.5 Budget Monitoring and Accountability</td>
<td>7.5 Budget Monitoring and Accountability</td>
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<td>7.6 Partnership Opportunities</td>
<td>7.6 Partnership Opportunities</td>
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<td>7.7 Organizational Structure</td>
<td>7.7 Organizational Structure</td>
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<td>7.9 Service Consolidation of Accounts Payable</td>
<td>7.9 Service Consolidation of Accounts Payable</td>
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<td>7.10 Sustainability</td>
<td>7.10 Sustainability</td>
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</tbody>
</table>
### 3.0 Summary of Findings - B

**Perspectives on 2015/2016 Management Proposal**

The succeeding table summarizes our assessment of each management proposal based upon validity of assumptions, viability of recommended action with current conditions and overall risk to budget impact.

<table>
<thead>
<tr>
<th>Proposal</th>
<th>2015/2016 Budget Impact ($)</th>
<th>PwC Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1- Sale and Leaseback</td>
<td>2,925,000</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>A2- Furniture and Equipment</td>
<td>375,000</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>A3- Print Management Strategy</td>
<td>200,000</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>B1- Maintenance Service Reductions</td>
<td>504,628</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>B2- Closure of Classroom Space</td>
<td>39,200</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>C1- Provincial Holdback Funds</td>
<td>880,000</td>
<td>✔ Partial Support</td>
</tr>
<tr>
<td>C2- Lease of Underutilized Space</td>
<td>100,000</td>
<td>✔ Full Support</td>
</tr>
</tbody>
</table>

- **Full Support**: assumptions are valid, **minimal risk** to estimated budget impact, recommended action is doable with current conditions
- **Partial Support**: assumptions are valid, **moderate risk** to estimated budget impact, recommended action is doable with current conditions
## 3.0 Summary of Findings - B

<table>
<thead>
<tr>
<th>Proposal</th>
<th>2015/2016 Budget Impact ($)</th>
<th>PwC Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1-Band and Strings</td>
<td>349,050</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>D2- International Education</td>
<td>233,840</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>D3-Adult Education</td>
<td>1,589,597</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>D4- K-12 Teaching Allocation</td>
<td>1,055,632</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>E1- Benefits Surplus</td>
<td>1,945,293</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>F1-Digital Support Project</td>
<td>(100,000)</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>F2- Learning &amp; Technology Infrastructure Requirements</td>
<td>(378,000)</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>F3-Educational Psychologist</td>
<td>(79,245)</td>
<td>✔ Full Support</td>
</tr>
<tr>
<td>F4-Learning Technologies Mentor</td>
<td>(39,460)</td>
<td>✔ Full Support</td>
</tr>
</tbody>
</table>

- ✔ **Full Support** - assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions
- ✔ **Partial Support** - assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions
3.0 Summary of Findings - C

Additional Initiatives for Consideration

In line with recommendations from 2012 Resource Allocation Review and based upon leading practices and trends in the education sector, we recommend VSB to further explore these areas to generate further operational efficiencies.

C.1 Centralized Accounting Function
With the implementation of PeopleSoft and the New School Accounting Model, it is recommended that VSB evaluates the value and effectiveness of keeping the Accounting function in secondary schools. In addition, VSB should assess the capacity and utilization of Accounting personnel in secondary schools to determine if reallocation of resources to Central Administration is viable; this has the potential to generate recurring savings of at least $64,000 per year.

C.2 Print Shop Operations
Although target has been set to have cost neutral operations and operating costs have improved over the years, the Print Shop continues to operate at a deficit. With ongoing upgrade of devices and expected 15% reduction in printing volume, VSB should investigate additional ways to maintain a cost-neutral operations by focusing on optimum utilization of resources and potential revenue generating opportunities. Further, VSB should perform cost benefit analysis around the viability of continuing to operate the Print Shop.
3.0 Summary of Findings - C

C.3 Performance Management
Having a formal performance management structure for employees is critical to employee engagement, individual development and succession planning. In addition, a holistic performance management structure for the district will promote accountability and create transparency to progress made against objectives and the strategic plan. VSB should consider establishing a formal performance management framework and reporting system for individuals and departments to measure progress against plan.

C.4 Organizational Resource Allocation
Recent changes to systems and technology capabilities provided some level of standardization and process efficiencies within the district. It is important for VSB to capture efficiencies gained and realign resources appropriately to provide consistent level of service. VSB should consider a holistic review across a broad range of operational functions to develop appropriate allocation of resources.

C.5 Standardized Processes
It was noted that due to lack of documented processes and procedures, there is varying levels of service and effectiveness across the district. Transitioning process has been challenging as knowledge is kept at an individual level. VSB should consider a process consistency and efficiency review of operational functions to streamline common services, document and standardize processes, improve cost effectiveness, facilitate better knowledge transfer during transitions and increase capacity by up to 25%.
3.0 Summary of Findings - C

C.6 Leverage Technology Investments
VSB has the opportunity to create more meaningful engagement with students, teachers, staff, parents and the community through technology supported communications exchange, online KPI dashboards and self enabled functionality. VSB should evaluate ways to increase utilization of technology investments to increase engagement, enhance the learning experience and teaching environment.

C.7 Benefits Compliance Audit
VSB expects to spend $97m in employee benefits for 2015/2016 budget year. As it has not been performed in the past, VSB should consider conducting a benefits carrier compliance audit to provide assurance that sufficient controls are in place in administering benefits coverage. The value of the audit is enhanced as the school board is able to obtain valuable insight into the actual usage patterns of the plan based on historical data. School boards that have completed compliance audits have identified potential savings of 1% - 5% of total benefits disbursement and administration costs.

C.8 Mobile Technology for Maintenance Workforce
VSB is faced with a trend of increasing maintenance costs for school facilities driven by aging school buildings and rising cost of maintenance supplies and services. A number of the service requests are reactive in nature which can result in emergency situations, overtime and stress in the facilities work environment. VSB is currently implementing a pilot mobile technology functionality with the electrical and grounds maintenance departments; VSB should evaluate the benefits of expanding the pilot and utilizing mobile technology for maintenance workforce to increase wrench time and decrease bench time.
Detailed Description of All Findings
Part A - Initiatives Progression since 2012
5.1 Sourcing

Key Insights and Observations: VSB has made progress in improving their sourcing and procurement practices through the implementation of a purchasing policy, improved management of CPO contracts, reduction in requisition to receipt time, and increased collaboration with end-users. Further work is needed to improve these areas: P-Card utilization through a more robust user interface, consolidation of spend with fewer vendors, and consistent tracking and monitoring of KPIs.

Potential Risks of Partial Implementation: Lack of focus in consolidation of spend with fewer suppliers is indicative of further opportunities to manage demand and improve total cost. There is limited cost transparency and control with lower P-Card utilization which could negatively impact future negotiations with the P-Card provider. Consistent tracking of key metrics is necessary for continuous improvement and performance management.

Summary of 2012 Recommendation

VSB has an electronic procurement (ePro) system used to leverage discounts, centralize purchasing and set purchasing standards. However, the school board faces challenges implementing consistent purchasing procedures district-wide. VSB should consider how to best standardize purchasing procedures for district departments and schools, as well as assess where further purchasing discounts could be negotiated.

Proposed Actions

| Consider implementing an ePro purchasing policy with strong enforcement, training and support to promote consistent usage. |
| Consider implementing P-Cards throughout the schools for certain purchases to assist in improving the school purchase and reimbursement process. |

Progress To-date

| Over the past 3 years, utilization and understanding of eProcurement has improved with more communication and training with end users, upgrades to the application interface, and improvement to network speed. 97% of all purchases are now processed on eProcurement. Invoices without POs are being monitored and users are continuously being trained. |
| P-Cards have been implemented in schools with 335 P-Card holders as of June 2014; however the cumbersome user interface for processing reimbursements is causing low utilization as well as individual benefits gained from using personal credit cards. The Procurement department is working with P-Card provider to improve reconciliation process. |
## 5.1 Sourcing

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CPO contracts</strong></td>
<td>A number of areas have been competed annually or renegotiated including:</td>
</tr>
<tr>
<td>should be renegotiated every year rather than through automatic renewal. The orders could also be processed through PO’s as an alternative.</td>
<td>• Office Supplies and Audio Visual contract has been renegotiated  • Office Equipment is now on contract  • Natural Gas is competed annually  • Consulting services is competed every time services are required  • Courier services had some progress but requires further work</td>
</tr>
<tr>
<td>As of July 2013, VSB is part of the provincial Telecommunications Service Master Agreement (TSMA). This agreement includes land lines, long distance, conference calling, and mobility.</td>
<td></td>
</tr>
<tr>
<td><strong>Analyze category spend and focus on negotiating contracts based on volume and spending on fewer vendors.</strong></td>
<td>Bidding and negotiating contracts have increased in practice since 2012, however consolidation of spend has not been a focus and the number of vendors is relatively the same. To date, there have been 167 competitive bids completed resulting in district-wide negotiated contracts. VSB needs to continue focusing on developing category specific sourcing strategies to further consolidate spend and leverage volumes with fewer vendors.</td>
</tr>
<tr>
<td><strong>Monitor spend and develop KPIs to measure performance</strong></td>
<td>Monitoring KPIs has started after the PwC 2012 report, though it was managed manually. During the PeopleSoft upgrade KPI tracking stopped due to other priorities. VSB needs to re-establish KPI reporting on key strategic areas and provide reports on a consistent basis to measure performance.</td>
</tr>
<tr>
<td><strong>Consult with end user needs to arrive at a suitable list of available items for purchase.</strong></td>
<td>There has been greater consultation with end-users to understand requirements, and engagement levels have increased during bidding processes. The ability to add items on eProcurement helped alleviate the issue of required items not being available for purchase.</td>
</tr>
<tr>
<td><strong>Examination into the sourcing process to reduce requisition entry to receipt time. Average requisition entry to receipt time is 29 days.</strong></td>
<td>There has been a 15.5 day reduction in requisition to receipt time with electronic submissions through eProcurement.</td>
</tr>
</tbody>
</table>
5.2 Adult Education

**Key Insights and Observations:** VSB has made significant changes to the Adult Education program operations to make it more cost effective and aligned to enrolment numbers. They have reduced the number of operating hours and centres as well as the number of courses offered. Additional cost saving actions are proposed in the 2015/2016 management proposals.

**Potential Risks of Partial Implementation:** VSB is continuing to evaluate the program to maintain a cost-neutral operations.

**Summary of 2012 Recommendation**

VSB operates six adult education centers and eleven outreach programs with flexible schedules to meet the needs of adult students. However, the multiple locations and the operational demand from the self-paced program limit VSB’s ability to maintain a financially sustainable Adult Education program. By reviewing the operating efficiency of each site and consolidating the self-paced program to certain adult education centers, VSB could improve the financial condition of the program while continuing to serve the needs of students.

**Proposed Actions**

- Consolidating self-paced programs to fewer centres to better align staff and student ratios
- Consider reviewing other Adult Education resources to assess efficiencies at the individual centre-level.
- Conduct further spend analysis to potentially reduce services and supplies by 15% to 20%.
- Consider redeploying resources that are currently performing duplicate work.

**Progress To-date**

- VSB eliminated summer self-paced program at all six sites. VSB eliminated the web-based self-paced program option.
- VSB closed the Roberts Adult Education Centre in 2014 due to K-12 enrolment pressures in the downtown area. VSB relocated the Main Street Education Centre out of a leased space in 2014.
- From 2011/2012 to 2014/2015 services and supplies has been reduced by 28% as a result of changes to operational hours at all self-paced centres (63 hours to 47 hours), fewer in summer program courses offered (62) and reduction in operating sites (6 to 4).
- Reduced overlap of teaching staff hours in the larger learning centres (Main Street Education Centre, Roberts Adult Education Centre, and South Hill Education Centre).
## 5.3 Continuing Education

### Initiative Progression

<table>
<thead>
<tr>
<th>Minimal Progress</th>
<th>In Process</th>
<th>Implemented</th>
</tr>
</thead>
</table>

### Benefits Accumulated Since 2012: $0.52 million

- ✔ Cost savings (recurring)
- ✗ Revenue Generated
- ✗ Cost Avoidance
- ✗ Process Improvement

### Key Insights and Observations

VSB entered into a partnership agreement with Langara College who assumed operations of the program. Since VSB no longer operates the program, the budget deficit for the program has been eliminated.

### Potential Risks of Partial Implementation

VSB has fully implemented this recommendation.

### Summary of 2012 Recommendation

VSB currently offers a wide variety of interest courses as part of its non-core services in a highly competitive market. However, the shortfall of the revenue generated from the program adds financial burden to the school board’s overall educational service delivery. VSB should assess the impact of discontinuing these courses with the purpose of realigning VSB’s resources to its core services.

### Proposed Actions

- Consider the impact of discontinuing Continuing Education programs from VSB offerings.

### Progress To-date

In 2014 VSB entered into a partnership agreement with Langara College who assumed operations of the Continuing Education program, with some changes to the classes being offered. Langara College received a discounted rate for utilizing VSB school space for the first couple of years. VSB needs to evaluate other leasing opportunities if Langara College discontinues to offer classes in future years.
### 5.4 Employee Wellness Management

**Initiative Progression**

<table>
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<tr>
<th>Minimal Progress</th>
<th>In Process</th>
<th>Implemented</th>
</tr>
</thead>
</table>

**Benefits Accumulated Since 2012: $2.0 million**

- ☑ Cost savings (recurring)
- ☐ Revenue Generated
- ☐ Cost Avoidance
- ☑ Process Improvement

**Key Insights and Observations:** VSB implemented a holistic Employee Wellness Management program to improve employee wellness and maximize engagement. This resulted in more open communication channels in the work environment and provided consistency in reporting employee absence. VSB has seen a reduction in cases where substitute employees are required, resulting in recurring cost savings. VSB is currently involved in advising other districts on a similar employee wellness management programs through the Provincial Attendance Support and Wellness Working Group.

**Potential Risks of Partial Implementation:** VSB has fully implemented this recommendation.

**Summary of 2012 Recommendation**

The school board’s Employee Attendance Support Program (EASP) was developed to provide guidelines for supporting and addressing workplace attendance through increased levels of communication, awareness and interaction with employees. VSB should consider assessing the viability of a district-wide deployment of EASP and to monitor, manage and promote employee wellness to reduce absenteeism and better serve student learning needs.

**Proposed Actions**

Consider an implementation plan to rollout EASP to all district sites.

Develop monthly absentee reports to be sent to department and school owners to manage and follow up as required. Consider additional means to more effectively monitor attendance.

**Progress To-date**

In 2012-2013, the VSB HR team defined the approach to implement a holistic Employee Wellness and Attendance Support Program consisting of three interrelated components: Wellness Support, Disability Management and Attendance Support. Between 2012-2015, three additional resources were added in order to support the implementation of the program.

Wellness Support encompasses programs for employees that increase awareness of various wellness options and encourages employees to access these resources and support to be successful and engaged at work.
## 5.4 Employee Wellness Management

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider an implementation plan to rollout EASP to all district sites.</td>
<td>Disability management is the management of sick leave usage, short and long-term disability, and WorkSafeBC claims.</td>
</tr>
<tr>
<td>Develop monthly absentee reports to be sent to department and school owners to manage and follow up as required. Consider additional means to more effectively monitor attendance.</td>
<td>Attendance Support is the promotion of regular attendance at work to maximize employee engagement.</td>
</tr>
<tr>
<td></td>
<td>VSB also upgraded its SFE Dispatch System to enhance consistency of employee absence reporting.</td>
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<td></td>
<td>Training was provided for front-line supervisors to ensure the program and intent was well understood.</td>
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### 5.5 Cafeteria Costs

**Initiative Progression**

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<tr>
<th>Minimal Progress</th>
<th>In Process</th>
<th>Implemented</th>
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</table>

**Benefits Accumulated Since 2012:** $0.66 million

- ✔️ Cost savings (recurring & one-time)
- □ Revenue Generated
- □ Cost Avoidance
- ✔️ Process Improvement

**Key Insights and Observations:** VSB focused on identifying the needs of the most vulnerable students through changes to School Meal Program (SMP). Through an independent review of cafeteria operations, VSB implemented operational efficiencies and reduced cafeteria supplies and staffing costs. To consolidate the buying power of VSB’s multiple cafeteria operations, an RFP was issued in 2012/2013 and was awarded to Sysco for all food related purchases.

**Potential Risks of Partial Implementation:** Although improvements to the operating costs have been achieved, food services is not a core VSB offering, and further consideration to different service delivery model is required for the three non-teaching cafeterias to reduce negative impact to budget.

**Summary of 2012 Recommendation**

VSB operates 17 teaching and non-teaching cafeterias and offers School Meal Programs for eligible students. The school board is upstanding in supporting student health and wellness through access to nutritious meals. However, food services are not part of their core offerings and there have been challenges in recovering cafeteria operating costs. VSB should consider the impact of implementing alternative service delivery models for the non-teaching cafeterias and assessing the costing model for the School Meal Program.

**Proposed Actions**

Consider implementing the management proposed change of refocusing the School Meal Program solely to vulnerable students.

**Progress To-date**

VSB created Lunch2Go program whereby principals decide on the recipients. In classrooms where there are a high percentage of vulnerable students every student receives a lunch through the universal full subsidy program. 12 elementary breakfast programs for vulnerable students are funded by charitable donations of $200,000 per year; funding amount could fluctuate year over year. The City of Vancouver proposed $400,000 in funding for breakfast programs.
## 5.5 Cafeteria Costs

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assess the cost efficiencies of the three non-teaching cafeterias and whether a different service delivery model would be more cost effective.</td>
<td>A report was done by Chemistry Consulting Group in 2012 and 2014 analyzing cafeteria operations. The operating budget review showed differences across the cafeterias. The VSB needs to assess the cost efficiencies of a different service delivery model for the non-teaching cafeterias.</td>
</tr>
<tr>
<td>Analyze teaching cafeteria payroll and supply costs to identify potential efficiencies that can be attained.</td>
<td>Based on an analysis of cafeteria operations in 2012 and 2014, the VSB was able to implement operational efficiencies and reduced cafeteria staff by 4.21 FTE over two years. An RFP was issued in 2012/2013 for all food purchases; VSB contracted Sysco, however there has been an increase in global food prices since the RFP.</td>
</tr>
<tr>
<td>Increase to the SMP fees. As this is an internal fund transfer between CommunityLINK and the operating budget, there would be no adverse impact to the student.</td>
<td>The SMP fee transfer increase to $5/day was approved effective September 2012. This implementation resulted in a more accurate reimbursement to school cafeterias for delivering the SMP at the secondary school level.</td>
</tr>
<tr>
<td>Consider standardizing SMP monitoring methods throughout cafeteria sites to ensure that all vulnerable students have the opportunity to participate.</td>
<td>Between July 2014 and February 2015 a food services review was conducted, which included an analysis of monthly financial data collection processes. VSB identified which schools will continue with universal full subsidy programs and full-pay programs and schools that will have programs discontinued.</td>
</tr>
</tbody>
</table>
5.6 Britannia Operating Costs

Key Insights and Observations: Based on VSB’s review of the cost allocation formula and a report presented to the City of Vancouver in 2013, VSB implemented a new cost sharing agreement based on facility usage. Reductions in staffing and building operating costs have resulted in recurring cost savings. Further discussions with the City of Vancouver is necessary to realign property lines as part of the city’s revitalization project for the area.

Potential Risks of Partial Implementation: VSB requires due diligence and persistence to move forward the adjustment of property lines with the City of Vancouver to ensure equitable cost allocation and generate potential additional revenue for the district.

Initiative Progression

Minimal Progress | In Process | Implemented

Benefits Accumulated Since 2012: $0.15 million

- ☑ Cost savings (recurring)
- □ Revenue Generated
- □ Cost Avoidance
- □ Process Improvement

Summary of 2012 Recommendation

VSB provides building operations and maintenance services to the Britannia Community Services Centre with other parties through a cost sharing agreement to provide quality facilities to students and neighboring communities. The agreement has not been updated in over 30 years and certain terms may not be relevant in the current operating environment. VSB and their partners should consider a reevaluation of the agreement terms to assess the fairness to all parties.

Proposed Actions

Review the Britannia agreement with other parties involved to evaluate equity to all parties.

Progress To-date

The City of Vancouver has agreed to allocate actual costs to the individual buildings on site, rather than using the previous formula of allocating the total complex facility costs to individual buildings on a percentage basis. Staffing was also reduced for the complex by 3.1 FTE. There are ongoing discussions with the City of Vancouver to review and update property lines according to each party’s usage and operations, and to further revise the agreement.
## 5.7 Leasing Costs

### Initiative Progression

<table>
<thead>
<tr>
<th>Minimal Progress</th>
<th>In Process</th>
<th>Implemented</th>
</tr>
</thead>
</table>

### Benefits Accumulated Since 2012: $0.60 million

- ✔️ Cost savings (recurring)
- □ Revenue Generated
- □ Cost Avoidance
- □ Process Improvement

### Key Insights and Observations:

The Main Street Education Centre was relocated to Gladstone Secondary, eliminating leasing cost of $600,000 annually. The programs that utilize leased space continue to be a focus area for VSB as they look for alternative ways to operate the programs in a cost neutral basis and minimize leasing costs.

### Potential Risks of Partial Implementation:

VSB's use of leased sites directly impacts operating expenses and requires further review and consideration.

### Summary of 2012 Recommendation

VSB leases several properties to accommodate Adult Education and Alternative programs. Although there are advantages to offering the programs at the desired locations, there are significant leasing costs that come with it. The school board should consider reviewing the current leasing arrangements and whether there are suitable location alternatives at VSB owned properties.

### Proposed Actions

- Continue the initiative of identifying a suitable alternative for leased locations taking into account both educational and financial implications.
- Perform a further review of remaining leases to determine whether they are required for delivery of VSB's educational services.

### Progress To-date

- VSB relocated one education centre to eliminate leasing costs. Downtown East Education Centre is leasing on a month-to-month basis (approximately $5,000 per month). The program operates at 44% capacity and the physical space is unable to accommodate a class size minimum of 26 students which creates operational deficit for the program.
- Vinery Program is expected to move to Kitsilano Secondary in 2017 upon completion of construction. Its leasing cost is currently $60,000 per month.
5.8 Space Utilization and Alternative Use

**Key Insights and Observations:** VSB increased their rental and leasing revenue by (i) implementing a rental rate increase by 5% each year; (ii) updating time periods for facilities usage from three hours to two hour periods; (iii) changing the child care ancillary rental rate, and (iv) expanding the space available for rent or lease. These changes generated additional revenue for the VSB.

**Potential Risks of Partial Implementation:** VSB needs to continue evaluating options to maximize utilization of space; which could include developing a strategy to attract more compatible users such as licensed non-profit child care operators.

### Summary of 2012 Recommendation

VSB has performed extensive analysis around additional opportunities for multi-purpose usage of their properties. Progressive changes have been made to rental rates to keep facility rentals sustainable but the rental rates continue to be lower than comparable public organizations and in some cases are not covering the related operating costs. VSB should consider assessing the viability of implementing a cost-recovery model for its facility rental programs and to proceed with their intention of multi-purpose usage of schools. Alternative scheduling, including a year-round schooling calendar should also be considered with the educational mandate at the forefront.

### Proposed Actions

Continue initiatives for non-profit / commercial rentals towards a cost recovery model to increase rental revenues and sustain market competitiveness around the usage of facilities and fields.

### Progress To-date

VSB increased their rental revenue by changing the time periods for facilities usage from a three hour period to a two hour period. Based on a rental survey on competitor rental rates, the VSB implemented a 5% rental rate increase each year since 2012. Leasing of the 4th floor of the Education Centre has resulted in approximately $91,000 in additional revenue. VSB increased space for external monthly parkers and adjusted rates at the Education Centre.

Starting in 2015/2016, VSB will implement pay for parking for staff at all schools during the day and will expand parking fees for evenings and weekends to cover operating costs.
## 5.8 Space Utilization and Alternative Use

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue initiatives for non-profit / commercial rentals towards a cost recovery model to increase rental revenues and sustain market competitiveness around the usage of facilities and fields.</td>
<td>VSB has a Ministry mandate to rent excess space only to licensed non-profit child care programs at a cost recovery rate. In 2010 licensed non-profit child care programs were charged 40% of operating cost per square footage. A change to include an ancillary rate during spring and summer breaks increased revenue from $348,284 to $524,278. VSB works with the City of Vancouver to help attract new licensed non-profit child care programs to use their space.</td>
</tr>
</tbody>
</table>
5.9 Mileage Reimbursement Costs

**Key Insights and Observations:** VSB changed its mileage reimbursement policy to be less complex and more aligned to actual driving costs incurred by VSB employees. Rates were adjusted to keep in-line with other public sector organizations; and reimbursement categories were updated based on employment type and mileage driven in a month period. These changes resulted in reduced reimbursement costs.

**Potential Risks of Partial Implementation:** The use of fleet vehicles was considered, and a high capital investment and storage of trades tools was a deterrent. With the mileage policy improvement and current budget constraints, there is minimal risk of not having fleet vehicles.

**Summary of 2012 Recommendation**

VSB has a policy to compensate individual employees who use personal vehicles for business purposes on a per kilometer basis. Depending on the frequency of vehicle usage and requirement of transporting tools, various rates may be applicable. Unclear eligibility guidelines have led to cost uncertainty associated with mileage reimbursement. VSB should consider reviewing the reimbursement policy to clarify the eligibility status of the various rates.

**Proposed Actions**

- Review the mileage policy to determine objectivity of rate eligibility.
- Reconsider the business requirement of providing a minimum monthly mileage to trade workers.

**Progress To-date**

- Extensive mileage policy review was completed in February – June 2014, which evaluated rates and complexity of the formula, and the three reimbursement categories. VSB updated their mileage reimbursement rates to align more closely with other districts. In addition, the proxy vehicle used in reimbursement calculation for the trade rate was revised.
- VSB removed the $100 per month minimum reimbursement for trade employees.
# Mileage Reimbursement Costs

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
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<tbody>
<tr>
<td>Perform a detailed review of rate usage to determine any inconsistencies to the eligibility criteria.</td>
<td>The mileage reimbursement rate was updated into three categories based on employment type and mileage driven in a month period: trades rate, non-trades rate and casual rate. This clarified the usage of the trades rate by employees who are required to transport tools, materials or specialized equipment on a regular basis.</td>
</tr>
<tr>
<td>Perform a cost-benefit analysis of purchasing a fleet of vehicles.</td>
<td>Purchasing a fleet of vehicles was considered by the VSB, however, the high capital investment required to purchase fleet vehicles and expectation of trade workers to use and store their own tools in the vehicle were deterrents.</td>
</tr>
</tbody>
</table>
**5.10 Cash and Investment Management**

### Initiative Progression

| Minimal Progress | In Process | Implemented |

| Benefits Accumulated Since 2012: $0.90 million |

- □ Cost savings
- □ Revenue Generated
- ☑ Cost Avoidance (recurring)
- □ Process Improvement

### Key Insights and Observations

VSB issued an RFP and consolidated their bank accounts with one institution in late 2012. They negotiated a no-service charge banking arrangement, saving the bank service charges of approximately $33,000 per year. Centralized banking has given VSB greater ease to review banking transactions and reduce administrative effort. VSB currently participates in the Provincial Central Deposit Program which offers a deposit rate of prime less 1%; a better rate than what is offered by Canadian banks.

### Potential Risks of Partial Implementation

VSB has fully implemented the 2012 recommendations.

### Summary of 2012 Recommendation

VSB transacts with various bank service providers and has numerous bank accounts both centrally and at the school-level. In addition, the school board has an investment policy that has not been updated for over 13 years. As a result, there are higher banking service fees and a limit on investment returns. VSB should consider centralizing school-level banking services to leverage economies of scale and reviewing the relevancy of their investment policy.

### Proposed Actions

- Consider consolidating all bank accounts to the current central Banking Resolution. This is an initiative that has been thoroughly assessed by the VSB and many positive benefits have been identified.

### Progress To-date

- VSB issued an RFP and consolidated their bank accounts with one institution in late 2012. Centralized banking has given VSB greater ease to review banking transactions and reduce administrative effort. They will continue to look for cost and process efficiencies by leveraging web-enabled tracking and reporting from the bank.
## 5.10 Cash and Investment Management

<table>
<thead>
<tr>
<th>Proposed Actions</th>
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<tbody>
<tr>
<td>Consider updating the investment policy to reflect currently available securities that meet the Board policy.</td>
<td>In 2013, the Province announced a Central Deposit Program, and encouraged all school districts to participate. This program offered a deposit rate of prime less 1%; a better rate than what is offered by Canadian banks with more immediate liquidity. The Central Deposit Program also improved withdrawal timing to no more than three business days. VSB originally signed-up for providing $30 million, and then the Ministry announced they were expanding the program and asked school districts to provide more investments. VSB has contributed $100 million, and are earning prime less 1% with more immediate liquidity. Investment revenue was greater than projected by $570,000, as reported in the February 2015 2nd quarter financial report. To generate a similar return in the open market, VSB would need to commit their funds for three years. Also funds are deposited at a lower risk than financial institutions or other investments while allowing VSB to be fully liquid as funds can be withdrawn for operating requirements at any time.</td>
</tr>
</tbody>
</table>
Key Insights and Observations: VSB clarified and updated their bus fare reimbursement eligibility guidelines resulting in better communication at the school level and reduced costs. A monthly transportation report is issued to schools to provide visibility and awareness of spending against budget. Select schools have also been given more accountability in allocating transportation budgets based on their intimate knowledge of students needs. Discontinuing bus fare reimbursements was not considered by the VSB for political and equity reasons.

Potential Risks of Partial Implementation: By continuing to provide bus fare reimbursement to students who meet eligibility criteria, VSB needs to regularly evaluate the viability of the program and may be required to implement a more stringent policy in the coming years.

Summary of 2012 Recommendation

The school board’s bus fare reimbursement policy was designed to provide transportation for students who meet certain criteria. However, the subjective nature of the criteria brings challenges for VSB to control the costs, especially given their positive virtue to provide equitable learning access for all students. VSB should consider reviewing the reimbursement criteria to provide objective guidance on student eligibility status.

Proposed Actions

- Review guidelines to determine objectivity of eligibility status.
- Consider revising the criteria to limit reimbursement for students who voluntarily enroll outside their local catchment.

Progress To-date

- Students within the provincially established walk limits no longer receive bus cost reimbursement except students with special needs and individuals under special circumstances; these cases are reviewed by Learning Services. While it is required to provide financial status to qualify for bus reimbursement program, it is not consistently provided by parents. Assessing the accurate number of hardship cases is challenging as VSB relies on information from each individual school.
- Reimbursements for students who voluntarily enroll outside their local catchment is no longer offered. On special circumstances, bussing is provided to encourage student attendance.
### 5.11 Bus Fare Reimbursement Costs

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assess viability of discontinuing bus fare reimbursements.</td>
<td>Discontinuing bus fare reimbursements was not considered by the VSB for political and equity reasons.</td>
</tr>
</tbody>
</table>
### 5.12 International Baccalaureate Program & Advanced Placement Exams

#### Initiative Progression

<table>
<thead>
<tr>
<th>Minimal Progress</th>
<th>In Process</th>
<th>Implemented</th>
</tr>
</thead>
</table>

#### Benefits Accumulated Since 2012: $0.08 million

- ☑ Cost savings (recurring)
- □ Revenue Generated
- □ Cost Avoidance
- □ Process Improvement

#### Key Insights and Observations

VSB increased AP exam fees to recover associated costs from $60 to $120 for students taking an AP class; they charge $150 for those only taking the district testing. VSB is considering the viability of maintaining the testing center because of the administrative burden; it benefits many students that the VSB is not obligated to serve (e.g. students from out of province).

#### Potential Risks of Partial Implementation

VSB did not implement an academy and exam fee structure in the IB Diploma program because of concerns that implementing a fee might increase inequity for low-income students and that actual fee collection would be low.

#### Summary of 2012 Recommendation

The IB Program has been very successful at the Vancouver School Board and is envisioned to continue its success in the future. VSB should consider implementing an Academy and Exam fee structure in the IB Diploma Program and Advanced Placement Exams to offset some of the operating costs. This would help improve the financial sustainability to continue offering the programs into the future.

#### Proposed Actions

- Consider increasing AP exam fees to recover associated costs.

#### Progress To-date

- In the 2014/2015 school year AP exam cost of registration was increased to $120 per student for those enrolled in a class, from $60 per student in 2012 and $100 per student in 2013.
- VSB charges $150 per student for those only taking an AP test at a District testing centre. Participation includes students enrolled at a Vancouver school where a specific AP course is not offered, students from private schools, and individuals from out of the province. District testing is administratively burdensome from organizing large facilities to running the center with appropriate invigilators.
### 5.12 International Baccalaureate Program & Advanced Placement Exams

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
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<tbody>
<tr>
<td>Consider developing a plan to attract international students to the IB programs and AP exams.</td>
<td>There has been a 47% increase in international students since 2012 which has expanded to 38 countries. Most international students are interested in attending West side schools which are close to capacity. Some work has been done to attract international students to East side schools and this will continue in the coming year.</td>
</tr>
<tr>
<td>Consider implementing an Academy and Exam fee structure in the IB Diploma Program to offset some of the program costs.</td>
<td>There are current issues surrounding education equity within the district, particularly West vs. East side. It has been considered that implementing a fee might increase inequity for low-income students and actual fee collection would be low.</td>
</tr>
</tbody>
</table>
### 5.13 Printing and Copying Costs

<table>
<thead>
<tr>
<th>Initiative Progression</th>
<th>Benefits Accumulated Since 2012: <strong>$0.55 million</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal Progress</td>
<td>☑ Cost savings (recurring) □ Revenue Generated □ Cost Avoidance □ Process Improvement</td>
</tr>
<tr>
<td>In Process</td>
<td></td>
</tr>
<tr>
<td>Implemented</td>
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</table>

#### Key Insights and Observations: VSB has distributed printing guidelines document in February 2013 in an effort to reduce cost and environmental impact. VSB is also in the process of replacing single-function printers with multi-function devices, and has gone from three to one provider.

#### Potential Risks of Partial Implementation: VSB did not contract-out their print shop services resulting in the management of a non-core service. This has a high impact based on the printing conducted throughout the organization.

#### Summary of 2012 Recommendation

VSB operates an in-house printing service to support administrative and learning needs. In addition, there are over 3,000 printing and copying devices across the schools, which combined with minimal printing guidelines places a financial burden on the school board. VSB should develop and communicate standardized printing guidelines to reduce printing costs and should further consider replacing less efficient printers with higher efficiency models.

#### Proposed Actions

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider developing and communicating printing guidelines to reduce printing costs. This would include minimizing the use of glossy paper, single-sided and color print jobs.</td>
<td>A Print Goals, Strategy and Guidelines document was created and distributed February 2013 in an effort to reduce printing related costs and environmental impact. As a part of the 2015/16 budget process, the implementation of a print management software is proposed. This software will require a keypad or card access codes for multi-function devices. The print management software will allow for the monitoring of all networked printers and establish controls to affect behavior.</td>
</tr>
<tr>
<td>Consider emphasizing electronic distribution as an alternative to printing.</td>
<td>The printing guidelines created in 2013 outlined the use of scanning and storing documents electronically. Multi-function devices were installed to allow for easier scanning access.</td>
</tr>
</tbody>
</table>
# 5.13 Printing and Copying Costs

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider replacing less efficient printers with higher efficiency models.</td>
<td>As a part of the 2014/2015 budget process, VSB has removed approximately 200 single-function devices across the district. An equipment management program has been in place since the beginning of Canon’s contract; this program follows the lifecycle of the multi-function devices and photocopier type equipment and replaces it with a more efficient model as required.</td>
</tr>
<tr>
<td>Consider an independent assessment of printing efficiencies at the central administration site.</td>
<td>Two separate audits were conducted across the district which included the Education Centre. An initial audit reported on current state of equipment and location and the second audit determined print volumes and impact of fleet changes. VSB replaced single-function devices with multi-function devices based on a site survey.</td>
</tr>
<tr>
<td>Perform further cost benefit analysis around contracting the central in-house printing services.</td>
<td>This recommendation has not been actively progressed. Although operating costs have improved over the years and have been offset through provision of printing services to external organizations, the Print Shop continues to operate at a deficit. Target has been set to have break-even operations for the Print Shop and VSB is continuing to assess the effectiveness of the operations and investigating ways to maintain a cost neutral operations.</td>
</tr>
<tr>
<td>Consider setting user codes to monitor usage and determine where significant usage exist.</td>
<td>As a part of the print management software implementation proposed for 2015/2016, there will be a pilot program where only walk-up printing will be available. To print, either a code or FOB will be required to trigger the print job. Some individual schools have implemented a code system.</td>
</tr>
</tbody>
</table>
# 6.1 Additional Enrolment Opportunities

## Initiative Progression
- **Minimal Progress**
- **In Process**
- **Implemented**

## Benefits Accumulated Since 2012: $6.13 million

<table>
<thead>
<tr>
<th></th>
<th>□ Cost savings</th>
<th>✓ Revenue Generated (recurring)</th>
<th>□ Cost Avoidance</th>
<th>□ Process Improvement</th>
</tr>
</thead>
</table>

## Key Insights and Observations:  
International enrolment increased by 47% since 2012 with international students from 38 countries. There is a high demand for west-side schools which are close to capacity and efforts are continuing to promote international enrolment to east-side school programs.

## Potential Risks of Partial Implementation:  
As VSB has a high dependency on revenues coming from international education, the district needs to closely monitor any significant political or economic changes in these countries to mitigate risks to incoming revenue.

## Summary of 2012 Recommendation:  
VSB is performing a Sectoral Review to provide a central repository for demographical and geographical data. This would assist in strategic decision making, including enrolment, staffing, and utilization of school space decisions. Utilizing this data to forecast potential International Education enrolment can generate up to $2.3 million in additional student enrolment.

## Proposed Actions

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue forward in collecting demographical and geographical data in the pursuits of optimizing available resources and implementing initiatives. This includes identifying opportunities that may not be fully captured, specifically in International Education.</td>
<td>International enrolment increased from 2011/2012 to 2014/2015 by 47% with 1560 international students from 38 countries. There has been an effort to place international students in the east side; this has been challenging as The Fraser Institute Rankings have an effect on the market’s decisions. The district is close to capacity in international enrolment in west side schools; and continued efforts are underway to increase enrolment to east-side school programs.</td>
</tr>
<tr>
<td>Consider marketing successful programs such as ACE IT to further educate secondary students on the program.</td>
<td>There have been limitations to the growth of the ACE IT program due to a decline in secondary school enrolment.</td>
</tr>
</tbody>
</table>
6.2 Redeployment of VSB Properties

**Key Insights and Observations**: VSB closed a wing at MacCorkindale and Van Tech as well as a number of out buildings. In 2014/2015, 28 classrooms in various schools were closed resulting in $1,400 operating cost savings per classroom.

**Potential Risks of Partial Implementation**: The Senior Management Team has proposed an additional 28 classroom closures in 2015/2016 to reduce operating costs. VSB has commercial zoning for some schools; using this space for commercial use is under consideration as a revenue generating opportunity.

**Summary of 2012 Recommendation**

Vancouver School Board has performed a comprehensive, detailed analysis around redeploying property taking into factors such as underutilized space, seismic risks, proximity to alternative locations and multi-purpose usage. Based on the analysis and key figures from the VSB School Closure Report prepared in 2010, the school board should consider the impact of the redeployment of properties which can help VSB achieve over $1 million in annual savings and to balance both the educational and fiscal environment.

**Proposed Actions**

Reconsider the optimal deployment of properties to balance both the educational environment and the financial sustainability needs of the school board.

**Progress To-date**

VSB closed a wing at MacCorkindale and Van Tech as well as a number of out buildings. In 2014/2015, 28 classrooms in various schools were closed resulting in $1,400 savings per classroom in operating costs.

Schools being replaced as part of the seismic upgrades are right-sized to projected enrolment rates and current Ministry guidelines. VSB has commercial zoning for some schools; using this space for commercial use is under consideration as a revenue generating opportunity.
6.3 VOIP Telephone and Voicemail Services

<table>
<thead>
<tr>
<th>Initiative Progression</th>
<th>Benefits Accumulated Since 2012: None to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal Progress</td>
<td>□ Cost savings</td>
</tr>
<tr>
<td>In Process</td>
<td>□ Revenue Generated</td>
</tr>
<tr>
<td>Implemented</td>
<td>□ Cost Avoidance</td>
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<td></td>
<td>□ Process Improvement</td>
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**Key Insights and Observations:** VSB’s VOIP pilot implementation is currently underway and will include replacing all of the phones and voicemail throughout the district as well as potentially removing fax machines; some schools will require new network wiring in classroom spaces to improve safety requirements. This project is designed to be self-funding through elimination of phone lines and fax lines; benefits will be fully realized once implementation is completed at all sites.

**Potential Risks of Partial Implementation:** If the VOIP project is not implemented fully, VSB will continue to incur higher cost of maintaining outdated technology, and will lag behind other districts in providing a technology-enabled learning environment.

**Summary of 2012 Recommendation:** VSB has outdated telephone equipment that does not align them with the long-term vision of their district and the need for innovative change and modernization of education. This would help build the back office technological infrastructure needed to support a 21st century learning environment in the classrooms.

**Proposed Actions**

Consider the implementation of VOIP services and funding options available.

**Progress To-date**

In November 2012, the telephone upgrade project was updated to become a broader VOIP unified communications project. An RFP was sent out and a contract was signed with Long View Systems to implement a Microsoft Lync solution. The VOIP pilot implementation is currently underway with three schools and the Education Centre.

The VSB is in the process of addressing a provision in the teachers’ collective agreement requiring fax machines to be provided.
6.4 Digital Media

**Initiative Progression**

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<tr>
<th>Minimal Progress</th>
<th>In Process</th>
<th>Implemented</th>
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</table>

**Benefits Accumulated Since 2012: $0.26 million**

- ✔ Cost savings (recurring)
- □ Revenue Generated
- □ Cost Avoidance
- □ Process Improvement

**Key Insights and Observations:** Over the past three years, VSB has focused on implementing foundational IT infrastructure investments needed to operate digital media successfully. Progress has been made in providing district-wide access to digital databases, including instructional video content and extensive reference database learning resources. The reduction of hard media cataloging and distribution has resulted in recurring savings.

**Potential Risks of Partial Implementation:** The software for library catalogue services is at the end of its life and requires investment to upgrade or replace. This impacts the district’s ability to continue implementing digital media as part of its long term vision to enhance teaching and student learning. This also impacts VSB’s efforts to become operationally and cost efficient.

**Summary of 2012 Recommendation**

VSB has placed an emphasis on the importance of educational media and instructional support and this has historically been maintained through textbook, VHS and DVD purchases. Transitioning into the future, this will not align with the long-term vision of their district as well as the BC Government’s Education Plan. VSB should consider assessing the viability of implementing digital media as a long-term strategy. This can help promote the implementation of technology to enhance teaching and student learning.

**Proposed Actions**

- VSB should continue to assess the viability of implementing digital media and supporting it as part of their long-term vision.

**Progress To-date**

- Efforts are underway to facilitate implementation of digital media as a tool to facilitate instruction; this includes implementation of wireless network across the district; an upgrade in bandwidth which is currently underway, and the distribution of laptops, iPads and Mobile Collaborative Learning Carts.

- Progress has been made in the conversion of hardcopy reference materials to digital media, however conversion of instructional materials has been limited and cost prohibitive.

- The software for library catalogue services is at the end of its life and requires investment to upgrade or replace.
6.5 Records Management

**Initiative Progression**

- Minimal Progress
- In Process
- Implemented

**Benefits Accumulated Since 2012: N/A**

- □ Cost savings
- □ Revenue Generated
- □ Cost Avoidance
- ✅ Process Improvement

**Key Insights and Observations:** VSB has continued to move towards an electronically housed records management system for both student and general records. It continues to be a manually intensive project due to the amount of paper records being converted and the manual process of indexing and cataloging. VSB is investigating utilizing Kofax, a scanning software, to automatically index scanned records to improve efficiency and expedite the process. VSB is in the process of reviewing options to store electronic files offsite as part of their disaster recovery plan.

**Potential Risks of Partial Implementation:** Incomplete implementation of this initiative will impact VSB’s processes and cost efficiency efforts. The disaster recovery plan being investigated will better support legislated record retention procedures.

**Summary of 2012 Recommendation**

VSB has established an objective of maintaining a central repository for document storage to ensure compliance to legislated retention procedures. The current physical document storage system is labor intensive and is running at a sub-efficient level. VSB should consider assessing the long-term costs and benefits of implementing an electronic records management system with legislated record retention procedures and staffing related union agreements in mind.

**Proposed Actions**

- Continue with the initiative and refine the costs and staffing requirements of moving forward to an electronically housed records management system

**Progress To-date**

- **Student Records**-VSB is in the process of scanning and indexing paper permanent student records (PSR’s) and have completed eight years worth of records up to the 2004 graduation year. As of 2014/2015 VSB is implementing a digital records management-My Education BC, the provincial student information system which will house electronic student records going forward.
## 6.5 Records Management

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue with the initiative and refine the costs and staffing requirements of moving forward to an electronically housed records management system</td>
<td><strong>General Records</strong> - With support from a records management consultant, VSB created a strategic records management roadmap including a report and file plan. The pilot records management program implementation started in January 2015, and training has been completed with two departments. Given the early stages of the program, it is not anticipated that short-term cash savings will be realized; this is a long-term process improvement initiative. Based on the project methodology and administrative resource constraints the project is expected to take more than two years to fully implement. VSB is in the process of updating its records management policies to align with electronic data management system.</td>
</tr>
</tbody>
</table>
## 7.1 Operational Planning

### Initiative Progression

- **Minimal Progress**
- **In Process**
- **Implemented**

### Benefits Accumulated Since 2012: N/A

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost savings</td>
<td>Unknown</td>
</tr>
<tr>
<td>Revenue Generated</td>
<td>Unknown</td>
</tr>
<tr>
<td>Cost Avoidance Process</td>
<td>Unknown</td>
</tr>
</tbody>
</table>

### Key Insights and Observations:

There has been progression with aligning operating plans with VSB strategic plan through regular progress meetings with the Senior Management Team (SMT) who works with department owners in monitoring completion of tasks. More work is required to establish a consistent district wide performance metrics to formally measure performance against mandated objectives. HR and Field Services are in the process of conducting a review of policies and identifying policies that are no longer useful.

### Potential Risks of Partial Implementation:

Without measurable targets VSB is unable to objectively track its performance and progress against VSB’s strategic plan. Lack of formal performance management program may result in loss of accountability and individual growth which deters continuous improvement.

### Summary of 2012 Recommendation

Vancouver School Board should consider developing divisional operating plans which link directly to the Five-Year Strategic Plan. This would serve as the governance framework foundation to enable proactive prioritization and implementation of initiatives. VSB should further consider developing a rigorous accountability model and updating documents around the school board’s policies, procedures and plans. This can help VSB prioritize key initiatives and align resources accordingly to meet their Strategic Plan.

### Proposed Actions

- Consider implementing a formal cycle to establish annual departmental operating plans to be led by the department owner. The operating plans should clearly link to the VSB Strategic Plan and contain measurable targets for tracking and reporting.

### Progress To-date

- In line with the VSB strategic plan, the Senior Management Team (SMT) holds monthly budget shepherd meetings to review their progress against the plan. Long-term projects are broken down into achievable tasks and objectives and are monitored throughout the year. There is regular communication and strong collaboration amongst the SMT.
- The SMT has a plan to review and develop a new strategic plan by fall 2015 which will serve as the basis for departmental operating plans.
## 7.1 Operational Planning

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider developing a rigorous accountability model to formally monitor staff</td>
<td>The SMT is good at measuring completion of tasks and maintaining high level KPIs, however establishing formal performance management at the staff and</td>
</tr>
<tr>
<td>performance against mandated objectives. This would include developing</td>
<td>district levels is needed. As the Board’s priorities have shifted from year to year, keeping consistent metrics has been a challenge.</td>
</tr>
<tr>
<td>measurable key performance metrics.</td>
<td>VSB will be participating in a business process benchmarking exercise conducted regularly by America’s Great City Schools; this organization reports</td>
</tr>
<tr>
<td></td>
<td>on business process metrics for education districts. 68 US districts are involved in the reporting and VSB’s first report is expected in summer 2015.</td>
</tr>
<tr>
<td>Consider the need to review documents relating to VSB policies, procedures and</td>
<td>HR has undergone a full policy and procedure review. Field Services is in the process of doing a full manual review and identifying policies that are no longer useful.</td>
</tr>
<tr>
<td>plans to ensure they are relevant and up to date.</td>
<td>With the implementation of the new HR/Payroll and financial system software, procedures have improved.</td>
</tr>
</tbody>
</table>
## 7.2 Shared Services/Outsourcing

### Initiative Progression

| Minimal Progress | In Process | Implemented |

### Benefits Accumulated Since 2012: Noted in 5.1 Sourcing

- ✔ Cost savings
- □ Revenue Generated
- □ Cost Avoidance
- □ Process Improvement

### Key Insights and Observations

VSB has pursued shared services with other districts and the Province. Procurement is the largest area of shared services opportunity for VSB through the Education Cooperative Group (EDCO). With successful implementation of VSB’s Wellness Management Program, VSB has been asked to provide guidance in this area and participate on provincial working committees.

### Potential Risks of Partial Implementation

VSB has not outsourced or used shared services for payroll, transactional HR, benefits administration, and other administrative, transaction-based functions resulting in a potentially higher operating costs and lower service expertise.

### Summary of 2012 Recommendation

To better support instruction at all schools and education centers, VSB operates a centralized model for the majority of administrative functions including payroll, transactional HR, benefits administration, procurement, and information technology (IT). However, some of these functions and operations also exist at the school-level which create redundancies and duplication of work. VSB should consider assessing the viability of implementing an alternative shared service model to deliver administrative services that can increase efficiencies and promote transparency. VSB can also explore the possibility of hosting and support other organizations’ functions as a potential means of raising additional funds.

### Proposed Actions

- Review with employee groups the viability of outsourcing payroll, transactional HR, benefits administration, IT and other administrative, transaction-based functions to determine if cost reductions and efficiencies can be achieved.
- Consider transitioning all procurement and IT processes under common management. This would provide the opportunity to coordinate procurement and IT efforts currently conducted at the school-level.

### Progress To-date

- VSB has made the decision not to outsource these functions at this time.
- The majority of IT procurement goes through ePro which is managed centrally within the district and reports into Secretary Treasurer’s Office, along with other business functions.
- The reporting structure for IT Division, which is responsible for maintaining technology infrastructure and providing field support, has not changed. IT reports into Learning Services office.
## 7.2 Shared Services/Outsourcing

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider the possibility of establishing a “Centre of Excellence” to support other school districts with finance functions, payroll processing, IT and procurement.</td>
<td>Through the Education Cooperative Purchasing Group (EDCO) VSB has participated in collaborative procurement initiatives across the district. A recent initiative on office supplies generated 30% in savings for the district.</td>
</tr>
<tr>
<td>Analyze the return on investment for shared services or outsourcing to determine if a savings opportunity exist.</td>
<td>As part of the Province’s Shared Service initiatives with the K-12 sector, a labour litigation pool has been established under the direction of BCPSEA providing more centralized review of labour matters requiring legal support. This will reduce legal expenses.</td>
</tr>
<tr>
<td></td>
<td>VSB’s PeopleSoft implementation is a pilot program for the Province and VSB led the charge in gathering system requirements from four other districts and negotiated the contract based on a multi-tenant system.</td>
</tr>
<tr>
<td></td>
<td>VSB was also part of the Ministry’s Next Generation Network project which provided funding to upgrade internet bandwidth across the districts; this was recently completed at VSB.</td>
</tr>
<tr>
<td></td>
<td>The Ministry of Education is providing grants to districts wanting to implement a program similar to VSB’s Wellness Management Program. VSB has been asked to provide guidance in this area and participate on provincial working committees.</td>
</tr>
</tbody>
</table>
### 7.3 IT Strategic Planning

#### Key Insights and Observations:
VSB has developed an IT vision, strategy and roadmap document that guides IT strategies. A governance structure was put in place to ensure IT initiatives and resources are aligned and focused on value add priorities. VSB continues to implement foundational IT infrastructure and support the deployment and upkeep of applications. VSB has distributed learning technology devices to enhance student's learning environment.

#### Potential Risks of Partial Implementation:
System integration is part of the IT long-term vision; and is necessary to improve workflow and process efficiencies, otherwise additional IT support resources will be required to manage and sustain integration.

#### Summary of 2012 Recommendation
VSB has recognized the need to develop an IT Strategic Plan several years ago. The absence of a clearly defined IT Strategic Plan results in opportunities around system integrations, workflow, project prioritization, technological training, and centralized services, where available. VSB should consider the benefits of formally articulating a vision and strategy for the use of technology to ensure they have the tools and infrastructure available to support students needs and bring the learning environment in line with the long-term provincial education plan.

#### Proposed Actions & Progress To-date

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>VSB should strongly consider the need to rationalize IT applications to the ones that best support the strategic plan.</td>
<td>Since 2012, the number of applications and versions has been reduced resulting from systems standardization and modernization. Applications used by teachers and staff are not restricted, and IT provides control through advising and guiding use of the standard application package. A mobile device management system is used to track serial numbers, licensing and product lifecycle information. They also use Cisco Meraki Mobile App Management to deploy and manage standard apps on all mobile devices.</td>
</tr>
</tbody>
</table>
## 7.3 IT Strategic Planning

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT should consider formally articulating a vision and strategy for the use of technology which focuses on delivering benefits to both academic and administrative areas.</td>
<td>IT Vision, Strategy and Roadmap document was developed in 2013, but is not yet fully implemented. VSB’s focus has been put into foundational IT infrastructure and systems upgrade and mobile learning devices aimed at enhancing students’ learning environment and transform work systems.</td>
</tr>
<tr>
<td></td>
<td>IT initiatives are reviewed by ICT advisory committee. They are developing a Business Systems Advisory Committee (BSAC). BSAC will serve as the governance structure for the approval of IT system criteria and business requirements. Approved initiatives will form the basis of the annual project plan for IT.</td>
</tr>
</tbody>
</table>
## 7.4 Application and Systems Integration

### Initiative Progression

<table>
<thead>
<tr>
<th>Minimal Progress</th>
<th>In Process</th>
<th>Implemented</th>
</tr>
</thead>
</table>

### Benefits Accumulated Since 2012: N/A

- [ ] Cost savings
- [ ] Revenue Generated
- [ ] Cost Avoidance
- [X] Process Improvement

### Key Insights and Observations:
VSB upgraded PeopleSoft 8.8 to 9.2 Financial Services Module and implemented a HRIS system for payroll and procurement. This implementation has allowed VSB to grow their eProcurement with school purchases; it is a more efficient and transparent process. It was funded by the Province as a pilot project for the K-12 sector. VSB is also in the process of executing student and general records management systems.

### Potential Risks of Partial Implementation:
While VSB has made progress in data integration, SchoolDude, which is the facilities maintenance work order system, remains as a standalone system and there have been issues with timeliness and accuracy of information.

### Summary of 2012 Recommendation
VSB has made investments in numerous IT systems and applications to support administrative and teaching functions. However, these have historically been performed without a long-term strategic plan which has led to a lack of integration between the systems and regular upgrade requirements. This leads to data quality risks and as such, VSB should consider assessing an upgrade to certain IT systems to take full advantage of an integrated IT environment. They can also explore the possibility of further investing in PeopleSoft to host and support other organizations’ functions through centralized virtual access.

### Proposed Actions

- Explore the possibility of hosting PeopleSoft to support other school districts’ operations. This would allow other districts virtual access through a central location.

- Consider a central data warehouse to house all data fields for a single source of data.

### Progress To-date

- VSB’s PeopleSoft implementation was a pilot program for the province and is currently hosted by TSSI. While there are some similar elements across provincial collective agreements, there are differences in future implementation at the local level.

- An enterprise database is now used through PeopleSoft. VSB has reduced the number of application they host from approximately 40,000 in 2012 to 2362 unique applications in 2015.
# 7.4 Application and Systems Integration

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider the need to streamline work order processes via an integrated work order management system (IWMS).</td>
<td>VSB currently uses SchoolDude for facilities maintenance work order processes. This has not changed since 2012. Due to the manual processes there have been issues with timeliness and accuracy of information.</td>
</tr>
<tr>
<td>Consider upgrading and implementing other modules of PeopleSoft based on user requirements. This will require formulating a business case to assess the costs and return on investment of the upgrades.</td>
<td>VSB upgraded PeopleSoft 8.8 to 9.2 Financial Services Module and implemented a HRIS system for payroll and procurement; this system offers robust features and module integration. The Ministry of Education and the Public Service Agency contributed $2.2 million for the PeopleSoft HCM system implementation, plus an additional $3-4m in license and maintenance fees. VSB received the funding as a pilot for a finance, procurement and HRIS payroll system for the K-12 sector. In 2013 VSB’s SFE Dispatch System for absence reporting was upgraded to be web-based and more robust. VSB is in the process of implementing School-Day, an online fee collection software, which allows for a more streamlined payment collection process at the school level. VSB has requested School-Day to provide backend accounting support functionality for the school generated funds. The VSB is undergoing two records management implementations for MyEdBC, for student records, and SharePoint, for maintaining VSBs records. In 2012 VSB had a paper based teacher post and fill application transfer application process; it is now electronic. Schools still use One-Write Plus accounting system for school generated funds. District funds are now accounted for centrally and backed-up nightly on a central server. This has provided greater oversight into the balances and expenditures of school generated funds, and reduced administration work.</td>
</tr>
</tbody>
</table>
7.5 Budget Monitoring and Accountability

**Initiative Progression**

- Minimal Progress
- In Process
- Implemented

**Benefits Accumulated Since 2012:** N/A

- □ Cost savings
- □ Revenue Generated
- □ Cost Avoidance
- ☑ Process Improvement

**Key Insights and Observations:** VSB implemented a monthly budget shepherd process as well as a quarterly budget forecast assessment. While work has been done to identify the KPIs of other school districts, VSB does not have consistent KPIs throughout the organization. VSB implemented PeopleSoft HCM (HR and payroll), and upgraded the Financial Services module in April 2015. This will allow the Board to make more informed decisions.

**Potential Risks of Partial Implementation:** VSB schools use One-Write Plus for school generated funds; it is not integrated into PeopleSoft. Without consistent, reliable KPIs the organization is making less data-driven decisions; this impacts all operational areas.

**Summary of 2012 Recommendation**

VSB utilizes a modified zero based budgeting process to build the operating budget. This includes adjusting prior year service levels for known assumptions and validating with senior management. A well-developed budget process should align the school board’s strategic goals to departmental service plans. VSB should consider reviewing the current budget accountability model and facilitating continuous budget planning with more effective budgeting tools. This would help monitor the overall financial position in order to make proactive budgeting decisions linked to the Strategic Plan.

**Proposed Actions**

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider assigning departmental owners greater accountability of their departmental budgets and variances that arise within their areas of responsibility.</td>
<td>Apart from school generated funds and the $6-8 million in Flex Funds, VSB has not decentralized budget accountability to schools. Overall responsibility resides with the SMT.</td>
</tr>
<tr>
<td>Consider facilitating continuous budget planning with more effective budgeting tools. This can include regular dashboard reporting of key performance indicators, provision of consistent, reliable financial information and real-time access to VSB’s financial position.</td>
<td>VSB’s PeopleSoft upgrade and implementation has centralized most VSB’s financial data. As the Board’s priorities have shifted from year to year, keeping consistent metrics has been difficult. VSB’s participation in a benchmarking report with other districts will allow the SMT to assess areas of improvement.</td>
</tr>
</tbody>
</table>
## 7.6 Partnership Opportunities

### Key Insights and Observations:
VSB continues to grow their partnership opportunities to leverage cost efficiencies and collaboration with key stakeholders. Particular efforts have been made to improve the seismic capital assessment management process through the Vancouver Seismic Project Office.

### Potential Risks of Partial Implementation:
While VSB has continued to grow partnerships for cost sharing and cost neutral opportunities, revenue generating partnership agreements has not been pursued extensively. Without revenue generating partnerships, VSB places a greater dependency on provincial funding.

### Summary of 2012 Recommendation
Vancouver School Board has a multitude of partnership agreements that have successfully allowed them to build relationships with the community while leveraging cost efficiencies. There are both cost sharing and revenue generating partnership opportunities to consider and VSB should continue their proactive exploration of additional partnership agreements to establish further relationships within the community and also achieve cost efficiencies in the process. Depending on the opportunity there is potential for significant cost savings to be realized.

### Proposed Actions
Continue to pursue establishment of additional partnership agreements and opportunities to contract services.

### Progress To-date
Through partnerships with the Ministry of Education and Partnership BC, VSB works with the Vancouver Seismic Project Office to move seismic projects forward and ensure quality and efficiency.

VSB has also built partnership with Langara College and transitioned the Continuing Education Program.

The Ministry of Education and the Public Service Agency are VSB partners for the PeopleSoft pilot implementation.
### 7.7 Organizational Structure

#### Initiative Progression

| Minimal Progress | In Process | Implemented |

#### Benefits Accumulated Since 2012: N/A

- □ Cost savings
- □ Revenue Generated
- □ Cost Avoidance
- ☑ Process Improvement

#### Key Insights and Observations:
Varying levels of restructuring across VSB has occurred which improved communication and coordination between departments and reduced duplication of efforts. There has been progress in reducing the silo approach of the departments and providing growth opportunities for individuals.

#### Potential Risks of Partial Implementation:
While restructuring has improved mobility and communication within the organization, further work needs to be done to address capacity and workload issues across the departments.

#### Summary of 2012 Recommendation
Vancouver School Board has restructured their organization to best align reporting lines with their long-term strategic vision and service delivery model. Further review of alignment is needed to determine where cross-departmental communications could be improved with the goal of developing internal process efficiencies district-wide.

#### Proposed Actions

**Consider performing further assessment on processes where cross-departmental communications would be beneficial.**

#### Progress To-date

There has been progress in reducing the silo approach between departments which improved communication and coordination across the district and reduced duplication of efforts. A more systematic communication with working groups with school representatives has been implemented. A considerable amount of work has been done to reduce inconsistent messaging and duplication.
## 7.7 Organizational Structure

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider performing further analysis on departmental effectiveness, including</td>
<td>VSB reduced the number of associate superintendents and added director of instruction positions to bridge the responsibility gap between the VSB principal and associate superintendent roles.</td>
</tr>
<tr>
<td>potential alignment of functional areas with the appropriate skill sets and</td>
<td>The IT Department has moved to the Learning Information and Technology Department. The Finance Department has changed reporting relationships; both purchasing and finance report to the Secretary Treasurer’s Office.</td>
</tr>
<tr>
<td>visibility to best support the departmental and district mandate.</td>
<td>VSB is restructuring management positions to allow for more flexibility within the organization and provide learning opportunities for individuals.</td>
</tr>
<tr>
<td></td>
<td>HR was re-structured into five functional teams (recruitment, health and safety, benefits, labour relations, and staffing) to deliver consistent service across all employee groups.</td>
</tr>
</tbody>
</table>
7.8 Succession Planning/ Transition Process

**Initiative Progression**

- Minimal Progress
- In Process
- Implemented

**Benefits Accumulated Since 2012:** N/A

<table>
<thead>
<tr>
<th></th>
<th>□ Cost savings</th>
<th>□ Revenue Generated</th>
<th>□ Cost Avoidance</th>
<th>✔ Process Improvement</th>
</tr>
</thead>
</table>

**Key Insights and Observations:** VSB has developed and defined job criteria for leadership positions, increased growth opportunities and improved the objectivity and consistency in the selection process. The organization needs to expand the initial work completed with defining the job criteria for leadership positions and develop a district-wide strategic succession planning framework that aligns with VSB’s strategic plan.

**Potential Risks of Partial Implementation:** Without a succession plan in place, VSB faces the organizational risk of gaps in leadership and knowledge transfer.

**Summary of 2012 Recommendation**

Vancouver School Board strives to build collaborative relationships to support its staff to meet the needs of students and the community. This can be further supported through an assessment of the transition process, both into and within VSB, and succession plans to ensure that appropriate resources and skill sets are available. This will help develop critical skills and foster growth for potential leaders in the organization and in turn enhance the teaching and learning environment district-wide.

**Proposed Actions**

Further assess the transition process to determine where efficiency opportunities are available. This would include joint efforts throughout the VSB departments to develop effective transition procedures.

**Progress To-date**

VSB recognizes the need to do a better job at documenting and standardizing processes to facilitate effective transitions and knowledge transfer within the district. This documentation process was necessary with the implementation of PeopleSoft and progress has been made with impacted departments.
## 7.8 Succession Planning/Transition Process

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider reviewing the current career and professional development plans to</td>
<td>As a key component of building the foundation for a strategic succession planning framework, VSB developed and defined the job criteria for leadership positions within the district. This provided consistency and objectivity in the selection process.</td>
</tr>
<tr>
<td>determine whether it is meeting the needs of the school board to build leadership and critical skill sets across all employee levels.</td>
<td>VSB has also made changes to its organization structure to create growth opportunities for leadership groups by allowing for more movement in and out of specialized positions. For example, as people retire VSB is restructuring specialized management positions to be included within the vice-principal/principal group to allow for more cross training. This allows leaders to have opportunities for growth and development.</td>
</tr>
<tr>
<td>Consider the need to build a detailed skills inventory database for each position to determine an ideal approach to succession planning. This includes the ability to evaluate ideal resources to fill vacant positions and maximize resource potential.</td>
<td>The district has also reduced the number of associate superintendents and increased the director of instruction positions to address the responsibility gap and succession.</td>
</tr>
</tbody>
</table>
### 7.9 Service Consolidation of Accounts Payable

#### Initiative Progression

- **Minimal Progress**
- **In Process**
- **Implemented**

#### Benefits Accumulated Since 2012: *None to Date*

- □ Cost savings
- □ Revenue Generated
- □ Cost Avoidance
- ✔ Process Improvement

---

#### Key Insights and Observations:

Through the implementation of PeopleSoft, VSB has centralized their HR, finance, and procurement functions into one system which facilitated the centralization of A/P function within Finance. An accounting tool box training series was developed to standardize processes and create awareness of accounting policies.

#### Potential Risks of Partial Implementation:

VSB did not renegotiate secondary school A/P work contracts from 12 months to 10 months working periods resulting in unnecessary administrative employment costs during the summer months. The centralization of AP function within Finance created a disparity in resource capacity that requires resolution to improve cost efficiencies.

---

#### Summary of 2012 Recommendation

To fully support teaching and learning activities at the school level, VSB has allocated resources across schools to enhance the learning experience. However, some school-level administrative functions that do not directly serve the classroom services can be assessed for centralization, specifically accounts payable functions. VSB should consider the impact of consolidating these functions with Central Administration for added cost efficiencies.

---

#### Proposed Actions

Consider reducing the Accounts Payable function within the schools with the long-term objective of centralizing the function within Central Administration. There would need to be an indirect reporting structure to the central Finance Department. VSB would need to assess the viability based on the outcomes of the pilot.

---

#### Progress To-date

In 2012/2013, VSB started the implementation of the New School Accounting Model (NSAM) across all 110 schools, which has centralized the accounts payable function of the school’s flex funds under Finance. NSAM has been beneficial for VSB. A/P flex funds are now paid centrally at the Education Centre and directly out to vendors, which reduces the duplication of similar functions occurring at schools. It also eliminated the reimbursement to the school by the Board, which was administratively burdensome.

Though it is a more efficient process, Central Administration has not received additional resources and the Finance Department has had to incur ongoing resource costs for the additional workload that shifted to Finance.
## 7.9 Service Consolidation of Accounts Payable

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider training staff on standardized processes to gain efficiencies and improve effectiveness.</td>
<td>VSB developed an accounting manual for schools. An accounting tool box training series was created in 2013 for new principals and vice-principals. The training session covers basic accounting principles and accounting policies. The training is effective and popular; they has been oversubscribed. Also, new senior management staff undergo accounting training.</td>
</tr>
<tr>
<td>Consider reviewing the work contract terms and renegotiating working periods from 12 months to 10 months.</td>
<td>Contracts have not been negotiated with labour group. As the Accounting positions in secondary schools are vacated, VSB is replacing 12 month positions with 10 month positions.</td>
</tr>
</tbody>
</table>
### 7.10 Sustainability

#### Initiative Progression

- Minimal Progress
- In Process
- Implemented

#### Benefits Accumulated Since 2012: $1.95 million

- ☐ Cost savings
- ☐ Revenue Generated
- ☑ Cost Avoidance (recurring)
- ☐ Process Improvement

#### Key Insights and Observations:

VSB has worked diligently to reduce their electricity consumption through conservation activities and the integration of sustainable practices in the construction of new and upgraded schools. As unit costs for electricity are rising by approximately 30% year over year, total costs for electricity costs are expected to increase even with reduced consumption. Expansion of sustainable initiatives is constrained by funding and staffing. In partnership with BC Hydro, a social media campaign was launched to gain exposure.

#### Potential Risks of Partial Implementation:

VSB has retained the same Sustainable group staffing levels since 2012; a large portion of their time is focused on electricity consumption initiatives resulting in less time towards the expansion of sustainable programs. Funding for sustainability projects is inconsistent resulting in unpredictability in project planning and completion. It also constrains the Sustainable Team from implementing long-term initiatives.

#### Summary of 2012 Recommendation

Vancouver School Board has been successful in reducing utilities costs and its carbon footprint through implementation of numerous green initiatives. There are several sustainability initiatives planned and in process that VSB should consider integrating into core business operations as part of a long-term strategic vision and to demonstrate management leadership on sustainability.

#### Proposed Actions

Consider integrating sustainability into core business operations as part of a long-term strategic vision and to demonstrate management leadership on sustainability.

#### Progress To-date

An energy action plan was created in alignment with the overall VSB strategic plan. Over the past 12 years, conservation activities such as lighting upgrades at 50 sites and new heating plants at 3 sites, have resulted in 20% reduction in electricity consumption. This has been countered somewhat by load growth, but the energy consumption is still 8% below 2002 levels.

Sustainable practices are integrated in the construction of new and upgraded schools, examples include installation of water fountains, bike racks, and LED lighting.
## 7.10 Sustainability

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider reviewing resource levels to focus on sustainability initiatives.</td>
<td>The Sustainability Group is creating a sustainability action plan that is based on the 2013/2013 audit. After the sustainability action plan is approved additional resource needs may be defined.</td>
</tr>
<tr>
<td>Communicate sustainability successes with the broader community to increase positive exposure.</td>
<td>VSB worked with BC Hydro to create a social media campaign using Twitter hashtags and articles on the VSB website. BC Hydro provided funding for a marketing consultant. One to two schools a year participate in a BC Hydro energy reduction program. VSB is hoping to expand uptake of these initiatives with a promotion campaign in September 2015.</td>
</tr>
</tbody>
</table>
## 7.11 Enterprise Risk Management

<table>
<thead>
<tr>
<th>Initiative Progression</th>
<th>Benefits Accumulated Since 2012: N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal Progress</td>
<td>□ Cost savings</td>
</tr>
<tr>
<td>In Process</td>
<td>□ Revenue Generated</td>
</tr>
<tr>
<td>Implemented</td>
<td>□ Cost Avoidance</td>
</tr>
<tr>
<td></td>
<td>□ Process Improvement</td>
</tr>
</tbody>
</table>

### Key Insights and Observations
With limited resources, VSB has continued to approach enterprise risk management with focus in priority risk areas such as student safety, technology, seismic/structural, privacy, and financial. Implementation of a formal risk management strategy is essential to effectively manage risk at the district level.

### Potential Risks of Partial Implementation
Without a holistic Enterprise Risk Management framework, VSB has a gap in risk assessment, mitigation and monitoring at the district level which could impact their ability to strategically react during a critical event.

### Summary of 2012 Recommendation
VSB does not have the resources to effectively oversee and manage all types of risk that exist throughout the district. An Enterprise Risk Management model would help assess the overall risk exposure of the school board and VSB should consider the implementation of such a model to provide the framework to create a controlled risk environment where employees are able to work in optimal learning conditions with minimal risk to themselves and students.

### Proposed Actions
Consider making risk accountability a critical operating requirement at the school board. This would involve applying a disciplined approach to risk evaluation and control, as well as implementing an oversight process that ensures various risks are addressed holistically rather than in silos.

### Progress To-date
The VSB does not have the resources to perform a holistic internal risk assessment at the district level.
### 7.11 Enterprise Risk Management

<table>
<thead>
<tr>
<th>Proposed Actions</th>
<th>Progress To-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider implementing a formal risk management strategy to provide the framework to guide the development of processes that take into consideration organizational risk.</td>
<td>VSB has not completed a formal risk management strategy; they have one resource who oversees risk management and this has not changed since 2012. However, they have identified and made efforts to address priority risk areas:</td>
</tr>
<tr>
<td></td>
<td><strong>Student safety</strong> – thorough regular fire, earthquake and intruder drills and implementation of acknowledgement of risk template.</td>
</tr>
<tr>
<td></td>
<td><strong>Technological risk</strong> – Hosting of PeopleSoft applications by a third party provides proper rigor and privacy controls. A back-up service in Calgary will be in place before the end of spring 2015</td>
</tr>
<tr>
<td></td>
<td><strong>Structural/Seismic risk</strong> - In conjunction with the BC Provincial Government, the VSB has been upgrading current schools and designing and constructing new schools. They also apply funding to priority areas and less critical requirements are deferred.</td>
</tr>
<tr>
<td></td>
<td><strong>Privacy and Financial risk</strong> - A Privacy Impact Assessment (PIA) has been completed for PeopleSoft and SchoolDay, a system that allows for online payments for parents, is undergoing a PIA. VSB is currently developing a privacy breach protocol for the entire district.</td>
</tr>
<tr>
<td></td>
<td>The District faces financial risk as funding from the provincial government is not keeping pace with increases in operating costs. The VSB is continuously looking for ways to mitigate this risk so as not to impact the classroom.</td>
</tr>
</tbody>
</table>
Part B - 2015/2016 Management Proposal Review
**A1- Sale and Leaseback**

**Management Proposal Summary**

With the successful implementation and results generated from the sale and lease back of previously purchased photocopiers, VSB proposed to continue with the sale and lease back of furniture, equipment and technology given the funding shortfall. Also, leasing will provide an opportunity to match expenditures with the life of the assets and to even-out budget impacts.

It is recommended that the Board approve continuing to lease, where possible, furniture, equipment and technology acquisitions, through to the end of 2015/2016 and that a report be provided to the Board at that time assessing the actual impact of this strategy.

**Budget Impact**

<table>
<thead>
<tr>
<th>Budget Impact: $2,925,000</th>
<th>Cost Savings</th>
<th>Revenue Generation (one-time)</th>
<th>Cost Avoidance</th>
<th>Process Improvement</th>
<th>Cost Increase</th>
</tr>
</thead>
</table>

**Key Considerations**

This proposal is considered to be highly viable with current conditions and provides a significant budget lift for 2015/2016 with anticipated revenue results.

Due to the nature of the sale and lease back financial structure, VSB will be paying more for furniture, equipment and technology acquisitions in the long run and will need to consider ways to sustain the long-term financial impact. VSB will continue to have higher lease payments with interest rates as more items are leased instead of owned.

**PwC Perspectives**

It is recommended that the Board approve this proposal to generate one-time financial benefit for the 2015/2016 budget. Further, it is noted that this recommendation has no impact on the classroom environment and pose minimal risk to the overall program.

The long term financial impact of this program needs to be taken into account as VSB looks for ways to balance the budget in future years.

- **Full Support** - assumptions are valid, **minimal risk** to estimated budget impact, recommended action is doable with current conditions
- **Partial Support** - assumptions are valid, **moderate risk** to estimated budget impact, recommended action is doable with current conditions
### A2- Furniture and Equipment

#### Management Proposal Summary

The district maintains a central budget to support the purchase of major furniture and equipment. As the budgets were not fully spent in previous years, it is anticipated that the district could manage based on a lower annual budget of $725,000 for furniture and equipment. It is recommended that the one-time budget reduction of $375,000 made as part of the 2014/2015 budget be continued for 2015/2016.

#### Budget Impact

<table>
<thead>
<tr>
<th>Budget Impact: $375,000</th>
<th>☑ Cost Savings (one-time)</th>
<th>☐ Revenue Generation</th>
<th>☐ Cost Avoidance</th>
<th>☐ Process Improvement</th>
<th>☐ Cost Increase</th>
</tr>
</thead>
</table>

#### Key Considerations

The three year average expenditures for major furniture and equipment is $884,087; the management proposal will reduce this amount by $159,087. By delaying the purchase of furniture and equipment, VSB faces the risk of larger, less manageable replacement costs in future budgets. This risk could have a larger impact in future budgets based on projected deficits.

VSB requires a better asset lifecycle management program to improve the administration of furniture and equipment. A lifecycle management system would include tracking the type, condition, location and quantity of asset purchases. It would allow VSB to improve their demand forecast of needed items by accurately knowing what will need to be replaced. Also by tracking assets and using an accountable demand forecast, VSB could more easily use warranties and leveraging of volume purchases.

By reducing the furniture and equipment budget, VSB will need to develop a strong set of criteria to prioritize purchases appropriately. Regular engagement and consistent communication with schools would benefit the decision making process.

#### PwC Perspectives

It is recommended that the Board approve this proposal to generate one-time financial benefit for the 2015/2016 budget. Further, it is noted that this recommendation has minimal impact on the classroom environment and pose low risk to the overall program.

- **Full Support** - assumptions are valid, **minimal risk** to estimated budget impact, recommended action is doable with current conditions
- **Partial Support** - assumptions are valid, **moderate risk** to estimated budget impact, recommended action is doable with current conditions
A3- Print Management Strategy

Management Proposal Summary

It is recommended that the VSB proceed with both the consolidation of 800 single function print devices and implement a print output management software. Savings of $200,000 are expected for 2015/2016.

1. Consolidation of 800 single function print (SFP) devices to 100 multi-function print (MFP) devices over a 12 month period beginning in May 2015. Savings are a result of lower printing cost per copy for supplies and reduced electrical consumption.

2. Implement a print output management software solution to manage the print/copy and scan process in the VSB. This software will provide copy and print accounting, challenge print behavior resulting in reduced waste and cost, allows for mobile and secure print and provides information for print device fleet management.

Budget Impact

Budget Impact: $200,000

- Cost Savings (recurring)
- Revenue Generation
- Cost Avoidance
- Process Improvement
- Cost Increase

Key Considerations

For both the implementation of multi-function devices and a print output management software there will be change in printing processes and behaviour. VSB may face resistance to the technological changes and individual accountability as the use of secure printing, universal print driver defaults and print routing is new. For a positive culture change, VSB requires a strong change management strategy and a continuous feedback loop with end users. A change management strategy would include: consistent communication of the vision and objectives of the project through various channels (employee portal, training, memos, etc.); demonstration of “quick wins” throughout the implementation; and identifying and addressing concerns openly and quickly.

VSB should also evaluate IT resource capacity upon completion of implementation as there will be fewer printers to maintain. VSB can assess if resources can be re-deployed for other value-added services.

PwC Perspectives

It is recommended that the Board approve both components of the proposal to lower overall printing costs, increase electronic distribution, promote accountability, and support sustainability efforts. Both recommendations have high probability of generating incremental savings in future years. Further, this recommendation supports the 2012 recommended initiative of reducing printing and copying cost.

- Full Support - assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions
- Partial Support - assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions
**B1- Maintenance Service Reductions**

**Management Proposal Summary**

Due to previous operating budget reductions and Annual Facilities Grant funding shortfalls, it is proposed that the reduction to maintenance trades made in 2014/2015 be continued again for 2015/2016. Specifically for 2015/2016 it is proposed that the reduction of 2 painters, 2 sheet metal workers, and 1 machinist approved last year continue again for 2015/2016.

There is some flexibility to vary the level of maintenance work performed each year without constraints from legislative and collective agreement requirements.

**Budget Impact**

*Budget Impact: $504,628*

- Cost Savings (one-time)
- Revenue Generation
- Cost Avoidance
- Process Improvement
- Cost Increase

**Key Considerations**

Based on the Facilities Condition Index, VSB requires $70M in funding annually to keep facilities maintenance current due to the age of many of VSB’s facilities. By reducing maintenance resources because of necessary budget reductions, VSB is deferring capital asset maintenance further. VSB risks further deterioration of the facilities and faces potentially higher maintenance or replacement costs in the future.

As the VSB is in a unique position to be able to assign minor repairs at schools to Custodial staff, they should consider evaluating how allocated hours can be utilized more effectively to offset some of the maintenance work being deferred.

In addition, VSB should consider performing a benchmark analysis of maintenance costs, as well as assessing maintenance processes to gain efficiency savings. Results of the analysis will allow VSB to target cost and service areas for improvement.

**PwC Perspectives**

It is recommended that the Board approve this proposal to generate one-time financial benefit for the 2015/2016 budget.

- **Full Support** - assumptions are valid, **minimal risk** to estimated budget impact, recommended action is doable with current conditions
- **Partial Support** - assumptions are valid, **moderate risk** to estimated budget impact, recommended action is doable with current conditions
B2-Closure of Classroom Space

Management Proposal Summary

VSB has a greater square footage rate per student than the provincial average. Due to declining enrolment, there is excess space across the district. Currently, the area for these classrooms is included in the calculation for cleaning time. When a classroom is closed, the space is removed from the calculation for Operations staff. Closing classrooms will reduce operations costs. There is a low risk to closing classrooms as the space can easily be re-opened if enrolment at the school changes.

It is recommended to close a total of 28 classrooms in 2015/2016 for a savings of $39,200. The area for classrooms varies throughout the district, however based on an average of 70 sq.m per classroom, the operating cost savings would be approximately $1,400 per classroom.

Budget Impact

|------------------------|---------------------------|----------------------|-----------------|---------------------|----------------|

Key Considerations

VSB should consider documenting standard criteria for selecting classrooms for closure to improve transparency and understanding of the process across the district. This would include determining what is an appropriate use of an unused classroom (i.e. music room, art room, swing space for buildings undergoing seismic upgrades, etc.). Once this is confirmed, the available space could potentially be leased out to compatible users to generate additional revenue.

Engagement and consistent communication with schools will facilitate greater understanding and support of classroom closures. Discussions with the Province should continue to get agreement on inclusion of international student enrolment in calculation of utilization.

PwC Perspectives

It is recommended that the Board approve this proposal because it will reduce operating expenses as well as increase spaces for rental revenue potential. This recommendation also aligns with 2012 recommended initiative related to redeployment of VSB properties.
C1- Provincial Holdback Funds

Management Proposal Summary

Since 2012/2013 VSB received 9-10% of holdback funds from the Ministry of Education. SMT is counting on receiving $880,000 as a one-time funding to balance the budget for 2015/2016. The VSB recognizes the negative impact to programs and services if the province does not release the anticipated holdback amounts.

It is proposed that the Board anticipate receiving $880,000 in additional provincial holdback funds during 2014/2015 or 2015/2016. This would be a one-time funding source as the amount cannot be relied upon a regular basis; and is lower than what was proposed last year.

Budget Impact

Budget Impact: $880,000

☐ Cost Savings ☑ Revenue Generation (one-time) ☐ Cost Avoidance ☐ Process Improvement ☐ Cost Increase

Key Considerations

There is a high risk to VSB if they do not receive the full provincial holdback funds because of the potential impact on programming. To reduce the risk, VSB should create a risk mitigation plan for the full anticipated amount which may include additional revenue generating opportunities and program changes to further reduce operating costs. With the allocation of provincial holdbacks anticipated in December 2015, it is important that the mitigation plan can be executed in January 2016 with full stakeholder support to lower the risk of having a budget deficit.

PwC Perspectives

While anticipating the use of provincial holdback funds would help eliminate the 2015/2016 budget deficit, PwC expresses reservations on the proposal due to the following reasons:

• VSB faces a high risk to programs if the anticipated amount of holdback funds is not received.
• Without a proper plan with full stakeholder engagement, it will be challenging for the organization to modify programs mid-year to meet budget.
• There is a higher probability than in recent years that the complete holdback funds will not be received due to the Provincial Next Generation Network project currently underway.

☑ Full Support - assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions
☑ Partial Support - assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions
C2-Lease of Underutilized Space

Management Proposal Summary

VSB has underutilized space at various schools across the district and at the Education Centre. These unused spaces are not generating any revenue while the district continues to incur expenses related to maintaining and operating these spaces.

It is proposed that the district pursue leasing/rental of the available school spaces to suitable outside agencies to create additional ongoing annual revenue.

Budget Impact

Budget Impact: $100,000

- Cost Savings
- Revenue Generation (recurring)
- Cost Avoidance
- Process Improvement
- Cost Increase

Key Considerations

With a comprehensive business plan, VSB has the potential to attract suitable renters for underutilized space at the Education Centre as well as available capacity in various schools. Having an up-to-date and good understanding of open spaces and market rates across the district will allow the VSB to appropriately target renters to generate additional revenue.

Media channels for communication could include VSB’s social media platforms, VSB website, and professional networks and partners. A regular review of the progress made against a sales plan should be incorporated into the monthly budget shepherd meetings to determine if any adjustment needs to be made to meet revenue objectives.

PwC Perspectives

It is recommended that the Board approve this proposal because it will improve utilization of capital assets as well as increase revenue potential. This proposal also aligns with 2012 recommended initiative of improving space utilization and alternative use.

- assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions
- assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions
# D1- Band and Strings

## Management Proposal Summary

In 2014/4015 the VSB had considered eliminating the optional elementary Band and Strings program, but due to the value of quality music overall and presentations from many advocates, one-time funding was provided. In March 2015 SMT has proposed program grade configuration and a pilot preparation time delivery model at a number of school sites for September 2015 to reduce staffing. Additionally, they proposed increasing fees to help offset costs and sustain the program.

It is recommended that staffing allocations to the Band & Strings programs be reduced by 3.8 FTE and to increase the fee from $2.50 per month to $5.00 per month.

## Budget Impact

**Budget Impact: $349,050**

- [✓] Cost Savings (recurring)
- [✓] Revenue Generation (recurring)
- [☐] Cost Avoidance
- [☐] Process Improvement
- [☐] Cost Increase

## Key Considerations

The Band and Strings program aligns with VSB's core mandate and the program is fully supported by the community. To continue operating the Band and Strings program, the VSB should evaluate increasing student fees further to align with program costs. This would include analyzing other organizations’ operating model and fees and district demand for the program to determine an equitable adjustment to program fees.

## PwC Perspectives

It is recommended that the Board approve this proposal as it allows VSB to continue operating a highly-sought program with minimal program grade configuration.

- [✓] Full Support - assumptions are valid, **minimal risk** to estimated budget impact, recommended action is doable with current conditions
- [✓] Partial Support - assumptions are valid, **moderate risk** to estimated budget impact, recommended action is doable with current conditions
Management Proposal Summary

Over the past few years, the VSB has been successful in promoting the international education program, attracting over 1500 students from 38 countries. The program currently generates significant revenue for the district and has created over 83 full time teaching positions.

To generate additional revenue and to appropriately support the growth of the program, management recommendations include:

1. Increasing international student enrollment by 50 FTE students for 2015-16.
3. Adding one FTE full-time continuing PASA program co-ordinator, effective July 1, 2015.

Budget Impact

Budget Impact: $233,840

- Cost Savings
- Revenue Generation (recurring)
- Cost Avoidance
- Process Improvement
- Cost Increase

Key Considerations

As VSB has a high dependency on revenues coming from international education, the district needs to closely monitor any significant political or economic changes in origin countries to mitigate risks to incoming revenue.

In order to balance the district’s enrolment level and market preferences, VSB needs to continue efforts to promote enrolment based on school capacity at east side schools and to continue monitoring capacity for international enrolment at west side schools. Recently, the Greater Victoria Development Agency (GVDA) has launched a new campaign called Education Victoria to help attract international students to Vancouver Island (source: http://www.timescolonist.com/business/victoria-agency-searching-the-globe-for-students-1.1872459).

In addition, VSB needs to work with the Province to obtain alignment to recognize international students in space utilization assessments. This would allow better understanding and agreement on school capacity and utilization.

PwC Perspectives

It is recommended that the Board approve this proposal as it increases VSB revenue; additional support resources will allow for further program growth and enhance service quality. This proposal also aligns with 2012 recommended initiative of increasing international student enrolment to generate revenue.

- assumptions are valid, **minimal risk** to estimated budget impact, recommended action is doable with current conditions
- assumptions are valid, **moderate risk** to estimated budget impact, recommended action is doable with current conditions

PricewaterhouseCoopers LLP
**D3- Adult Education**

**Management Proposal Summary**

By continuing to offer Adult Education programing, VSB faces additional financial constraints for 2015/2016 because of funding changes and declining enrolment. The proposed changes aim to minimize Adult Education costs on VSB’s core services and sustain the program. By increasing class size minimum to 26 students courses can operate on a cost neutral basis; it will also be closer to average secondary classes. The proposed centre closures have low capacity; closing the centres will reducing staffing and operational costs. The self-paced program has high student to staff ratios and unpredictable use of staffing. By only offering self-paced courses at Gathering Place, VSB can better align costs to student use of the courses.

It is recommended that class size minimums be set at 26 for all structured AE courses along with the program changes summarized below:

- Only Offer Self-paced Courses at Gathering Place
- Close Hastings and Downtown Eastside Centres
- Discontinue Kiwassa and Collingwood Youth Programs
- Discontinue Literacy Outreach Programs

**Budget Impact**

**Budget Impact: $1,589,597**

- **Cost Savings** (recurring)
- **Revenue Generation**
- **Cost Avoidance**
- **Process Improvement**
- **Cost Increase**

**Key Considerations**

Going forward VSB should benchmark and monitor the Adult Education program to ensure sustainability. This would include creating program and operational metrics to monitor and review the use of self-paced learning spaces, program enrolment, facility usage and district demand for the program. Through benchmarking VSB can also assess the quality of the services offered and target specific areas where improvement is needed and where process efficiencies can be gained.

**PwC Perspectives**

It is recommended that the Board approve this proposal; the recommended actions are viable and proposed program changes reduce the budget deficit, setting the stage to become sustainable Adult Education program in two years. This proposal also aligns with 2012 recommended initiative of implementing program changes to a more focused offering and to improve cost efficiencies.

- **Full Support** - assumptions are valid, **minimal risk** to estimated budget impact, recommended action is doable with current conditions
- **Partial Support** - assumptions are valid, **moderate risk** to estimated budget impact, recommended action is doable with current conditions
Management Proposal Summary

Teaching costs represent 54% of the district’s operating budget. To achieve budget savings, management proposed these changes:
1. Teaching entitlement formula be adjusted from 20 to 22 international students per 1.0 FTE teacher and
2. The allocation of teachers to secondary schools be reduced by 3.00 FTE, equivalent to less than one-half percent reduction

Budget Impact

Budget Impact: $1,055,632

- Cost Savings (recurring)
- Revenue Generation
- Cost Avoidance
- Process Improvement
- Cost Increase

Key Considerations

The SMT has considered how the recommendation will affect different school populations differently, and will assess 2015/2016 staffing appropriately.

VSB will need to monitor impact and continue to adjust K-12 teaching allocations to reflect current needs of student population. This includes forecasting enrolment decline and increase at different student ages as well as development changes within the district.

VSB should also perform a benchmarking exercise with other similar districts to assess their teaching allocation ratios and to identify areas where further review would be warranted.

PwC Perspectives

It is recommended that the Board approve this proposal due to the minimal impact to classrooms with significant returns.

Full Support - assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions

Partial Support - assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions
**E1- Benefits Surplus**

### Management Proposal Summary

VSB’s benefits advisor reported in November 2014 that a number of employee benefit plans were over-contributed. Excess contributions are anticipated to accumulate further, providing an opportunity for VSB to take a lump sum withdrawal. It was noted that contribution rates for 2015/2016 have been adjusted to avoid large over contributions.

It is recommended that the Board approve the lump sum withdrawal of funds and premium holidays that are forecasted to accumulate to June 30, 2015.

### Budget Impact

**Budget Impact: $1,945,293**

- Cost Savings (one-time)
- Revenue Generation
- Cost Avoidance
- Process Improvement
- Cost Increase

### Key Considerations

VSB faces low financial risk for approving the lump sum withdrawal of funds and premium holidays that are forecasted to accumulate.

VSB should consider conducting a benefits carrier compliance audit to generate further cost savings, identify common errors and obtain valuable insight into the actual usage patterns of the plan based on historical data. Additional advantages to a benefits carrier compliance audit can be found in Part C.

### PwC Perspectives

It is recommended that the Board approve this proposal as it has no impact to the classroom and will generate needed funds to balance the budget.

- **Full Support** - assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions
- **Partial Support** - assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions
F1- Digital Support Project

Management Proposal Summary

VSB is implementing records management systems to improve document storage, retrieval and long-term efficiencies. The Online Fee Payment initiatives will allow improved management of fee payments and school to parent communication.

Base funding is required to support the ongoing purchase of specialized content governance and access control software and services.

Budget Impact

<table>
<thead>
<tr>
<th>Budget Impact: ($100,000)</th>
<th>Cost Savings</th>
<th>Revenue Generation</th>
<th>Cost Avoidance</th>
<th>Process Improvement</th>
<th>Cost Increase (one-time)</th>
</tr>
</thead>
</table>

Key Considerations

As VSB implements various digital support projects such as records management and online-fee payment initiatives, it should consider evaluating privacy risks and obligations to meet the Freedom of Information Act. This would include a robust back-up system and strict security controls.

VSB should also understand the long-term cost impact of software licenses and subscription services. This includes assessing software licenses and subscription service demand year-over-year as the organization’s use of the digital services will increase due to infrastructure and training improvements.

The organization should also monitor its IT resource capacity to maintain and upgrade software licenses and subscription services and increased use of the technology resources in the classroom.

PwC Perspectives

It is recommended that the Board approve this proposal as it provides long-term process efficiencies, increases data accessibility, and maximizes benefits from the records management projects.

- assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions
- assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions
# F2- Learning & Technology Infrastructure Requirements

## Management Proposal Summary

The district has extensive Learning and Technology Infrastructure in support of education and business related systems and practices. In order to effectively manage and support these investments, management is proposing to:

1. Subscribe to annual software licensing and maintenance agreements for the Wireless network equipment and software (essential for vendor support and hardware maintenance)
2. Replace mission critical data center servers, file/document storage systems, and maintain data center backup power supply for providing core District digital services.
3. Subscribe to Mobile Device Management system (manage and support iPads, iPhones, Androids)
4. Replace the remaining 50% of obsolete school file/print/directory servers (50% funded in 2014-15 budget)

## Budget Impact

**Budget Impact: ($378,000)**

- Cost Savings
- Revenue Generation
- Cost Avoidance
- Process Improvement (recurring)
- Cost Increase (one-time)

## Key Considerations

The implementation of the recommendations will reduce VSB’s technological risk of system failure and will increase the quality of mobile device management and IT support and hardware maintenance. This is critical due to the operations impact of a system failure.

The district should closely monitor device acquisition at the school level to correctly forecast for support and service costs. This would include creating a plan to assess service needs before and after acquisition, utilize the mobile device management system to understand asset lifecycle, and develop KPIs for device issues and costs.

VSB should develop a plan to harmonize device specification to manage administration costs. This would include identifying the technological needs of each job function and aligning device specifications according to the role. This will ensure VSB is able to leverage volume purchases and are utilizing funding appropriately.

## PwC Perspectives

It is recommended that the Board approve this proposal as it provides maximum benefits from technology investments that directly impact student learning environment.
# F3 - Educational Psychologist

## Management Proposal Summary

Educational Psychologists provide assessment services for students and they participate in school-based resource team meetings to plan for student support. An addition of an educational psychologist will provide a needed service to VSB's learning environment as there is a high demand for assessment services and planning support for transitioning students. It will also alleviate time pressures on families during the Youth in Transition to Community Living B.C. process.

It is recommended that an Educational Psychologist position be created and that 1.0 FTE position be allocated to support youth in transition. This would allow for a consistency of practice around the Community Living BC (CLBC) reviews and assessments, and create less disruption for other schools and students.

### Budget Impact


### Key Considerations

VSB should closely monitor utilization of educational psychologist services to reflect current needs of student population against budget considerations.

### PwC Perspectives

It is recommended that the Board approve this proposal as it will provide consistency in the level of service and support for students in transition.

---

- **Full Support** - assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions
- **Partial Support** - assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions
F4- Learning Technologies Mentor

Management Proposal Summary

Due to the expansion of digital devices and resources available to teaching staff, a learning technologies mentor will help support meaningful use and utilization of digital resources. They will support and model practices related to inquiry based learning, cyber safety and the responsible use of digital resources, and conduct demonstrations.

It is recommended that the Learning Technologies Mentor position be created and that 0.4 FTE be allocated to this area for September 2015.

Budget Impact

**Budget Impact: ($39,460)**

- Cost Savings
- Revenue Generation
- Cost Avoidance
- Process Improvement
- Cost Increase (recurring)

Key Considerations

VSB should consistently measure the effectiveness of service delivery through the use of KPIs and customer feedback. This will help the learning technologies mentor to objectively alter their mentorship approaches to best suit teaching staff and students.

In addition to the tracking KPIs, VSB should closely monitor the utilization of core value added activities conducted by the learning technologies mentor to assess the need of their specific services in the future.

PwC Perspectives

It is recommended that the Board approve this proposal as it provides maximum benefits from technology investments that directly impact student learning environment.

- **Full Support** - assumptions are valid, minimal risk to estimated budget impact, recommended action is doable with current conditions
- **Partial Support** - assumptions are valid, moderate risk to estimated budget impact, recommended action is doable with current conditions

VSB Resource Allocation Review 2015
PricewaterhouseCoopers LLP

June 4, 2015 84
Part C - Additional Initiatives for Consideration
## 1. Centralized Accounting Function

### Opportunity Profile

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>$64,000 per year minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Additional cost efficiencies may be realized upon assessment of Accounting functions in secondary schools</td>
</tr>
<tr>
<td>Opportunity Type</td>
<td>Operating Budget Impact</td>
</tr>
<tr>
<td>Difficulty of Implementation</td>
<td>Moderate</td>
</tr>
<tr>
<td>Current State:</td>
<td>• There is an Accounting position at each VSB secondary school (18 in total).</td>
</tr>
<tr>
<td></td>
<td>• The implementation of PeopleSoft and the New School Accounting Model centralized the accounts payable function and provided greater oversight and central control of budget.</td>
</tr>
<tr>
<td></td>
<td>• Although this is a more efficient process, some of the work has shifted from schools to Central Administration; thereby creating capacity for Accounting resources in schools.</td>
</tr>
<tr>
<td></td>
<td>• The Finance Department has had to incur ongoing costs in hiring a temporary resource for the additional workload that transferred to Finance.</td>
</tr>
<tr>
<td>Key Discussion Points</td>
<td>• It is important to understand the value and effectiveness of keeping the Accounting function in secondary schools.</td>
</tr>
</tbody>
</table>

### Synopsis

#### Proposed Actions

- Consider physically reallocating Accounting personnel from secondary schools to Central Administration to eliminate cost of hiring a temporary resource.
- Consider assessing capacity and effectiveness of Accounting personnel in secondary schools (e.g. are they being leveraged to do value-added activities).
- Consider implementing a shared services model for all Accounting functions to ensure consistency in process and service levels.

#### Outcomes

- Eliminate cost of hiring a temporary resource in Central Administration
- Reduce potential duplication of work at school sites
- Improve consistency in process and service level across the district
- Potential to redeploy Accounting personnel to do more value-added activities that will provide development opportunities for individuals

#### Considerations for Implementation

- Early consultations with stakeholders will help improve new work processes and generate support
- A thorough review of collective agreement for Accounting personnel in schools is necessary to determine viability of redeploying personnel
1. Centralized Accounting Function

Case Studies

**Organization:** The City of Hamilton ON  
**Overview:** A review of the Accounts Payable Program was conducted in 2012 to determine effectiveness and efficiencies of procedures and processes and alignment with leading practices.

**Outcomes:**  
The City’s centralized Accounts Payable structure was reported as keeping with leading practices, and have lower average costs per invoice, higher productivity and provided greater controls compared to decentralized operations.

**Organization:** University of Manitoba  
**Overview:** Through an organization wide transformation the University of Manitoba implemented an IT Shared Service Model as well as assessed an operational model redesign for financial services.

**Outcomes:**  
**IT Shared Services:**  
• Improved job alignment based on IT staff skills  
• Adoption of standard repeatable processes  
• Improved management of IT staff

**Financial Services Operational Model Redesign:**  
• Assessed opportunities to reduce inefficiencies and duplication  
• Analyzed the reporting structure, roles, and responsibilities  
• Established KPIs to track and monitor success

*(Source: "University of Manitoba Project Rose Resource Optimization and Service Enhancement Steering Committee Meeting." 2011.)*
2. Print Shop Operations

<table>
<thead>
<tr>
<th>Opportunity Profile</th>
<th>Synopsis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opportunities</strong></td>
<td>VSB should investigate additional ways to maintain a break-even Print Shop operations:</td>
</tr>
<tr>
<td>Break-even operations without deficit</td>
<td>o Identify and focus on specific type of print jobs that provides optimum utilization of equipment and resources</td>
</tr>
<tr>
<td><strong>Opportunity Type</strong></td>
<td>o Perform an independent study to identify process and cost efficiency areas as well as potential revenue generating opportunities</td>
</tr>
<tr>
<td>Operating Budget Impact</td>
<td>• Perform further cost benefit analysis around the viability of keeping the Print Shop operational.</td>
</tr>
<tr>
<td><strong>Difficulty of Implementation</strong></td>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>Moderate</td>
<td>• A more efficient operations for high demand print jobs and utilizing external printers for one-off specialized requirements</td>
</tr>
<tr>
<td><strong>Current State:</strong></td>
<td>• Removal of underutilized equipment to reduce leasing and maintenance costs</td>
</tr>
<tr>
<td>• Although operating costs have improve over the years, the Print Shop continues to operate at a deficit, approximately $100,000 for 2014/2015; target has been established to have a cost neutral operations.</td>
<td>• More efficient process and optimum resource utilization</td>
</tr>
<tr>
<td>• The Print Shop provides printing services to external organizations as a means to offset operating costs.</td>
<td>• Identified a pool of external printing services clients as a source of revenue that is tracked and reported on a regular basis.</td>
</tr>
<tr>
<td>• VSB’s current total annual print/copy volume is approximately 87m</td>
<td><strong>Considerations for Implementation</strong></td>
</tr>
<tr>
<td><strong>Key Discussion Points</strong></td>
<td>• Consider the impact of potential increase to external printing on current staffing levels and service to existing customers.</td>
</tr>
<tr>
<td>• Due to contractual agreements with VSB unions, some printing requires printing to be done by a unionized shop.</td>
<td>• Consider the legal or union implications of utilizing external printers for specialized printing requirements and potential ending of operations.</td>
</tr>
<tr>
<td>• The implementation of the print management software is expected to reduce printing volume by approximately 15%.</td>
<td></td>
</tr>
</tbody>
</table>
2. Print Shop Operations

Case Studies

**Organization:** University of Manitoba  
**Overview:** The University of Manitoba assessed their print management to reduce excess print capacity and decrease in print support and maintenance. The organization reduced their print materials (ex. phone book, annual report, facility report) for an estimated annual savings of $0.2 million.

**Outcomes:**  
- Environmental benefits  
- Reduced printing costs

(Source: "University of Manitoba Project Rose Resource Optimization and Service Enhancement Steering Committee Meeting." 2011.)

**Organization:** Government of British Columbia  
**Overview:** In October 2014, the Government of British Columbia began transitioning printing services to the private sector from the BC Queen’s Printer. The transition is expected to be complete by June 2015. The Queen’s Printer, a branch of Shared Services BC, will continued to broker printing contracts and perform design work. The decision to outsource printing services was based on the Core Review which assessed if government programs were operating efficiently and effectively as possible.

Other jurisdictions, including the Province of Manitoba and the Government of Canada, moved to a fully outsourced model for printed material more than a decade ago as a result of increased electronic publishing and digital information.

## 3. Performance Management

<table>
<thead>
<tr>
<th>Opportunity Profile</th>
<th>Synopsis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opportunities</strong></td>
<td><strong>Proposed Actions</strong></td>
</tr>
<tr>
<td>Improve employee engagement, promote accountability, improved work culture</td>
<td>Consider establishing a formal performance management framework and reporting system for individuals and departments to measure progress against plan.</td>
</tr>
<tr>
<td><strong>Opportunity Type</strong></td>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>Strategic</td>
<td>Increased employee engagement and accountability at the individual and department level</td>
</tr>
<tr>
<td><strong>Difficulty of Implementation</strong></td>
<td><strong>Considerations for Implementation</strong></td>
</tr>
<tr>
<td>High</td>
<td>The development and implementation of a performance management system will require a strong senior management support and consistent, clear messaging for widespread adoption.</td>
</tr>
<tr>
<td><strong>Current State:</strong></td>
<td>• Consideration of collective agreement conditions for performance assessment and clear, consistent communication will be critical.</td>
</tr>
<tr>
<td>• VSB does not have a formal performance management structure in place for exempt or non-represented employees, individual departments or the district as a whole</td>
<td>• KPIs need to align to VSB’s priorities and strategic mission.</td>
</tr>
<tr>
<td>• The VSB team is good at measuring completion of tasks. Some departments maintain high level KPIs, however more work needs to be done in establishing key set of performance metrics and in tracking and monitoring against objectives.</td>
<td>• Consistency in measuring and tracking performance metrics is required.</td>
</tr>
<tr>
<td>• The VSB is participating in a benchmarking exercise on business support functions; report is due summer 2015</td>
<td>• Having a formal performance management structure for employees is critical to employee engagement, individual development and succession planning.</td>
</tr>
<tr>
<td><strong>Key Discussion Points</strong></td>
<td>• A holistic performance management structure for the district will promote accountability and create transparency to progress made against objectives and the strategic plan.</td>
</tr>
<tr>
<td>• Having a formal performance management structure for employees is critical to employee engagement, individual development and succession planning.</td>
<td>• KPIs need to align to VSB’s priorities and strategic mission.</td>
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<td>• Consistency in measuring and tracking performance metrics is required.</td>
</tr>
</tbody>
</table>
3. Performance Management

Case Studies

**Organization:** Dufferin-Peel Catholic School Board
**Overview:** The Dufferin-Peel Catholic School Board implemented formal appraisal processes for all employee groups over several years. A formal appraisal process includes evaluating an employee based on pre-established criteria; it identifies strengths and developmental areas of an employee. Key stakeholders were engaged in the development of relevant policies and procedures to ensure organization-wide support. HR was involved in supporting performance evaluations.

**Outcomes:**
- Help align all employee groups with the organization’s vision and strategic direction
- Set policies guide a fair and transparent process when disciplinary action needs to be taken
- Support for succession planning and talent leadership development across the district

Majority of Ontario’s large urban school boards have also implemented this recommendation.


**Organization:** Bluewater District School Board (BWDSB)
**Overview:** BWDSB has a formal performance appraisal model for staff. For example, a superintendent will review their strengths based on pre-determined categories, such as ‘Leading the Instructional Program’, and areas of improvement are discussed. Also, custodial staff have their work regularly monitored. The organization also has a policy governing the process of resolving performance issues including ways to communicate and document unsatisfactory performance.

**Outcome:**
- Improved employee engagement

(Source: "Operational Review Report- Bluewater District School Board." 2010)
## 4. Organizational Resource Allocation

<table>
<thead>
<tr>
<th>Opportunity Profile</th>
<th>Synopsis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opportunities</strong></td>
<td>Building upon the initial work completed in HR, consider a holistic review across a broad range of operational functions to develop appropriate allocation of resources.</td>
</tr>
<tr>
<td>Balanced resource capacity, promotes performance accountability and skills development through cross-training</td>
<td><strong>Proposed Actions</strong></td>
</tr>
<tr>
<td><strong>Opportunity Type</strong></td>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>Strategic</td>
<td>Support the district’s operational needs and promote performance accountability</td>
</tr>
<tr>
<td><strong>Difficulty of Implementation</strong></td>
<td>Balance resource capacity between departments and reduce the silo affect within departments</td>
</tr>
<tr>
<td>High</td>
<td>Promote skills development and improve morale through cross-training and workload-sharing across the organization</td>
</tr>
<tr>
<td><strong>Current State:</strong></td>
<td><strong>Considerations for Implementation</strong></td>
</tr>
<tr>
<td>• Resource requirements are evaluated within the silos of each department</td>
<td>This will need to be considered in conjunction with a succession and development framework to evaluate the current and future resource needs of the organization.</td>
</tr>
<tr>
<td>• Resource capacity between departments is not typically reviewed across the different functions which is causing the perception of work load inconsistencies</td>
<td>• Determining resource levels in each operational function will require an assessment of collective agreements over job flexibility and restructuring.</td>
</tr>
<tr>
<td>• VSB’s HR department has performed an organizational review and aligned its functions to better serve its internal clients and improve communication</td>
<td>• There should be a focus on structuring the organization to best serve core-mandate programs and value-added services.</td>
</tr>
<tr>
<td>• Varying levels of reorganization across VSB has occurred however they were not done in a holistic approach</td>
<td>• VSB will need to assess its ability to adopt and implement a new operating model.</td>
</tr>
<tr>
<td><strong>Key Discussion Points</strong></td>
<td></td>
</tr>
<tr>
<td>• Recent changes to systems and technology capabilities provided some level of standardization and process efficiencies within the district</td>
<td></td>
</tr>
<tr>
<td>• It is important for VSB to capture efficiencies gained and realign resources appropriately to provide consistent level of service</td>
<td></td>
</tr>
</tbody>
</table>
4. Organizational Resource Allocation

Case Studies

**Organization:** Ottawa-Carleton District School Board (OCDSB)

**Overview:** In order to manage a $14.5 million budget shortfall in 2010/2011 OCDSB commissioned an external review of the organization’s structure including administrative and management structures and resource capacity. The review focused on internal information (interviews and documentation), comparative analysis of peer Ontario school boards, and information provided by experienced superintendents.

**Outcomes:**
- $3.5 million in projected cost reductions related primarily to ESL and other non-Ministry mandated/funded programs
- Improvements to the budget development process
- Alternative service delivery for Human Resources and Finance

(Source: "Report No. 09-212 to the Budget Committee Re: PricewaterhouseCoopers Report." 2009)

**Organization:** Toronto School Board

**Overview:** In 2012, the Toronto School Board set out to balance their budget. Based on an assessment of various areas, they identified opportunities for change including:
- Realignment of Maintenance and Custodial departments
- Re-organization of capital management and executive leadership structure and Facilities Services

**Outcomes:**
- Closer alignment to provincial funding
- Gains in department efficiencies

## 5. Standardized Processes

<table>
<thead>
<tr>
<th>Opportunity Profile</th>
<th>Synopsis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opportunity Size</strong></td>
<td><strong>Proposed Actions</strong></td>
</tr>
<tr>
<td>Up to 25% increase in capacity</td>
<td>Consider a process consistency and efficiency review of operational functions to streamline common services, document and standardize processes, improve cost effectiveness and facilitate better knowledge transfer during transitions</td>
</tr>
<tr>
<td><strong>Opportunity Type</strong></td>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>Operational Budget Impact</td>
<td>Documenting clear and standardized processes will provide opportunities for cross-training and development of staff, and will facilitate knowledge transfer during transitions.</td>
</tr>
<tr>
<td><strong>Difficulty of Implementation</strong></td>
<td><strong>Considerations for Implementation</strong></td>
</tr>
<tr>
<td>Moderate</td>
<td>VSB has numerous employee groups to communicate with and initial adoption may vary between groups.</td>
</tr>
</tbody>
</table>

### Current State:
- With the implementation of PeopleSoft, HR/Payroll and financial system software, documentation of procedures and work flow have improved.
- VSB documented processes for accounting across the schools through the accounting manual.
- It was noted that due to lack of documented processes and procedures, there are varying levels of service and effectiveness across the district.
- Transitioning process has been challenging as knowledge is kept at an individual level.

### Key Discussion Points:
- Standardizing processes require an assessment of current state to identify gaps and understand how leading practices can be applied to future state.
- The organization continues to implement technology and operational changes where new processes are required i.e. records management and new printing guidelines.

### Outcomes:
- Increase efficiencies by streamlining processes
- Reduce operating costs by eliminating rework, duplication, and redundancy
- Better service levels to internal and external stakeholders by ensuring standards are meet

### Considerations for Implementation:
- VSB should consider ongoing monitoring of process effectiveness to allow for continuous improvements.
5. Standardized Processes

Case Studies

**Organization:** Prairie Valley School District (PVSD)

**Overview:** PVSD had long wait times for referral to treatment processes for students with learning difficulties. The process included a referral for a student, an assessment from a psychologist, and treatment services. Through a Lean value stream assessment, the organization identified ways to reduce the referral to treatment process time and improve the quality of service. This included mapping out the current process and monitoring cycle times to identify ways to improve the overall performance of the program.

**Outcomes:**
- Referral to report cycle period decreased from 11 weeks to 5-7 weeks
- Increased the specialists time on core services versus administrative tasks
- Decreased re-referral rates by improving information accuracy provided in original referrals
- Reduced the number of process steps and staff handoffs
- Improved communication with classrooms and teachers

**Organization:** Mohawk College

**Overview:** Mohawk College wanted to improve key IT and Human Resources processes including the recruitment and performance management process as well as new IT requests and the reset password process. Their Lean implementation project targeted areas that would reduce workload and have a significant impact based on the customers’ perspective.

**Outcomes:**
- Better collaboration among team members
- Individuals had a greater understanding of the end-to-end process
- Increased capacity
- Improved process through standardization


PwC’s Perform Operational Excellence projects are based on developing new behaviours and increasing team’s capability, capacity and efficiency. Typical outcomes for clients include 15-25% additional resource capacity.
## 6. Leverage Technology Investments

### Opportunity Profile

<table>
<thead>
<tr>
<th>Opportunity Size</th>
<th>Enhanced teaching and learning environment and operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity Type</td>
<td>Strategic</td>
</tr>
<tr>
<td>Difficulty of Implementation</td>
<td>Moderate</td>
</tr>
</tbody>
</table>

### Current State:

- VSB has invested resources in building a solid IT foundation to provide better use of technology for student learning and workplace productivity
- VSB is continuing to improve upon technology usage by upgrading their bandwidth and installing wifi at schools
- VSB is utilizing electronic platforms to promote advocacy and sustainability campaigns, however it has minimal usage for revenue generating opportunities (i.e. links for donations, leasing, international education recruitment)

### Key Discussion Points

- VSB has the opportunity to create more meaningful engagement with stakeholders through technology supported communication vehicles
- VSB can utilize technology to report key performance metrics and operational achievements to stakeholders
- Consistent branding and messaging is important to ensure alignment with VSB’s core mandate

### Synopsis

#### Proposed Actions

- VSB should increase utilization of technology to improve communication and establish meaningful exchange of ideas through electronic platforms
- VSB should consider providing self-serve functionality for students, teachers, staff and parents

#### Outcomes

- Increase engagement and learning opportunities for students, teachers, staff and parents
- Development of a technology-savvy culture
- Enhance teaching environments and operations through open collaboration
- Increase IT capacity for value-added activities

#### Considerations for Implementation

- A clear policy statement and governance framework is required for proper adoption of new technology platforms
- Promotion of education-related campaigns and Board supported provincial initiatives
- Development of revenue generating and partnership opportunities through social media and information portals
- Utilizing online platforms for teaching staff to share innovative instructional ideas and aids
6. Leverage Technology Investments

Case Studies

Organization: University of Manitoba
Overview: The University of Manitoba, through Project Rose, leveraged technology to improve electronic communication including electronic monthly reporting.

Outcome:
• $16,000 in annual savings
• Improved environmental practice
• Easier distribution of materials

(Source: "University of Manitoba Project Rose Resource Optimization and Service Enhancement Steering Committee Meeting." 2011)

Organization: The Educational Computing Network of Ontario (ENCO)
Overview: ENCO provides IT products and services to 70 out of 72 Ontario school boards. It’s current project is cloud computing shared services for Ontario school boards.


Research: Educational Technology (EdTech) enhances student engagement and personalized education. Students can be engaged through content creation and receive more personalized education via self-paced learning (e.g. watching a video). EdTech allows teachers to easily monitor performance in real-time resulting in faster recognition of a student’s knowledge gaps. EdTech also allows for timely distribution of work, sharing of learning material, as well as promotion of educational collaboration through classroom and professional forums.

EdTech can take many forms depending on the needs and constraints of a classroom. School support systems such as assignment administration, academic collaboration and student portals can directly enhance student learning. Investment into a formal data center and cloud technologies is needed to support the delivery of EdTech.

The main challenges of EdTech include: teacher and student adoption, technology limitations and effectiveness tracking.

(Source: “Leveraging Technology in Education”. PwC. October 2014)

Note: Several school administrations were involved in the research process including: Los Gatos’ Hillbrook School East Side Unified High School District’s Calero High School
# 7. Benefits Compliance Audit

## Opportunity Profile

<table>
<thead>
<tr>
<th><strong>Opportunity Profile</strong></th>
<th><strong>Synopsis</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opportunity Size</strong></td>
<td>• VSB should consider conducting a benefits carrier compliance audit to provide assurance that sufficient controls are in place in administering benefits coverage</td>
</tr>
<tr>
<td>$153,900 – $769,460 cost savings</td>
<td>• Verification of claims accuracy and tracking of historical results for data analysis</td>
</tr>
<tr>
<td><em>(1% - 5% of $15.39 m budget for Extended Health, Dental and Group Life Insurance)</em></td>
<td>• Ensures carrier compliance with benefit plans to help contain costs</td>
</tr>
<tr>
<td><strong>Opportunity Type</strong></td>
<td>• Provides assurance and control in administering benefits coverage</td>
</tr>
<tr>
<td>Operating Budget Impact</td>
<td>• Minimize non-compliant claims payments</td>
</tr>
<tr>
<td><strong>Difficulty of Implementation</strong></td>
<td>• Facilitates improved understanding of benefits plan with better communication of specific plan details</td>
</tr>
<tr>
<td>Low</td>
<td>• Identifies opportunities for improvement based on benchmarking against industry leading practices</td>
</tr>
<tr>
<td><strong>Current State:</strong></td>
<td>• Considerations for Implementation</td>
</tr>
<tr>
<td>• VSB’s total benefits cost as per 2014/2015 Amended budget was $91m including $1.8m in service cost</td>
<td>• Develop a communications plan that clearly articulates the purpose of the audit and expected outcomes</td>
</tr>
<tr>
<td>• VSB expects to spend $97m in employee benefits for 2015/2016 budget year which accounts for anticipated rate increases in MSP and Worksafe BC</td>
<td>• Ensure that collective agreements include appropriate language to allow for compliance audits</td>
</tr>
<tr>
<td>• VSB has realized savings resulting from rate decrease in dental and group life plans</td>
<td>• Evaluate benefits of utilizing a contingent fee structure with independent auditor</td>
</tr>
<tr>
<td>• VSB has not considered performing a third-party benefits compliance audit</td>
<td>• The number of claims to be audited is dependent upon the total number of benefit plan members; typically between three to six percent of all claims</td>
</tr>
<tr>
<td>• VSB has implemented an Employee Wellness program, which increased employee engagement and reduced absences.</td>
<td></td>
</tr>
</tbody>
</table>
7. Benefits Compliance Audit

Case Studies

**Organization:** Upper Grand District School Board (UGDSB)

**Overview:** With multiple collective agreements and complex benefit plans, UGDSB conducts an annual compliance audit. They review covers an assessment of whether changes in benefits coverage are carried through in the benefits carrier contract.

**Outcomes:**
- Verified claim accuracy and monitored historical data
- Tracked trends overtime which were used during the budgeting process
- Gained an understanding of how plans are used overtime based on relevant data

**Research:**
A review of Ontario District school boards found benefit carrier audits can have advantages including:

- Identification of common errors (paying charges from services not covered, incorrect benefits set-up resulting in inaccurate limits or co-insurance percentages)
- Understanding if administrators are paying claims accurately, and reduce benefit expenses
- Improve employee understanding of allowable benefit limits
- Identify liability and medical management issues

More than half of School boards across Ontario have looked into benefits carrier compliance audit as a way to manage the cost of employee health benefit plans.


**Mental Health Wellness Program**

A related but separate initiative for VSB to consider is the development of a comprehensive mental health wellness program. The latest trend is meeting Canada Mental Health Association (CMHA) standards and school boards that are recognized well in this area typically cover both students and employees. The Catholic District School Board of Eastern Ontario (CDSBEO) is the first school board in Ontario to participate in the Elephant in the Room Anti-Stigma Campaign aimed at creating awareness about mental illness in the workplace and in the classroom.

(Source: CDSBEO Addresses the “Elephant in the Room”; accessed May 13, 2015)
## 8. Mobile Technology for Maintenance Workforce

<table>
<thead>
<tr>
<th>Opportunity Profile</th>
<th>Synopsis</th>
</tr>
</thead>
</table>
| **Opportunity Size** | $87,500 - $175,000 cost savings  
(1% - 2% of $8.75m labour budget for Trades People and Outside Workers) | **Proposed Actions** |
| **Opportunity Type** | Operating Budget Impact | • Evaluate the benefits of the pilot and expand to implement a mobile maintenance workforce. |
| **Difficulty of Implementation** | Moderate | **Outcomes** |
| **Current State:** | • VSB is faced with a trend of increasing maintenance costs for school facilities. This is driven primarily by two factors: aging school buildings requiring significant upkeep (approximately $70 million) and rising cost of maintenance supplies and parts.  
• VSB is implementing a pilot mobile maintenance workforce with the electrical and grounds maintenance department  
  o Some personnel receive service work orders through their mobile phones/tablets; they also transmit status of service requests | • Deployment and management of maintenance crews using mobile technology provides a constant stream of real-time updates  
• Respond to emerging work orders throughout the working day to provide greater responsiveness and decrease travelling costs  
• Increase capacity to perform more work by reducing travel time  
• Decrease bench time and increase wrench time |
| **Key Discussion Points** | • Many of the service requests are reactive in nature which can result in emergency situations, overtime and stress in the facilities work environment.  
• Improving adoption of technology usage may require hands on training with maintenance crews, supported by clear change management process | **Considerations for Implementation** |
| | | • A mobile maintenance workforce will require culture change regarding accountability to requests and acceptance of technology processes  
• Develop a change management framework to increase adoption and benefits of the new processes  
• Consider implementing KPIs at the individual and department level to assess areas for service improvements  
• Consider integrating a mobile maintenance workforce with a problem management system to identify top daily, weekly and monthly priorities based on urgency and the environment impact |
8. Mobile Technology for Maintenance Workforce

Case Studies

Organization: Los Angeles Unified School District

Overview: The Los Angeles Unified School District has recently deployed an app that allows anyone with a smartphone to report a maintenance issue. The district has over 14,000 buildings to maintain. Photos and GPS information is integrated into their asset management system.

Outcomes:
- Reduced the number of service calls
- Resolved maintenance issues more quickly
- Improved issue preparation resulting in less wasted time and resources
- Increased engagement in the school community


Research:
According to Aberdeen group “Best-in-class [organizations] are 52% more likely than laggards to have prioritized the investment into mobile tools to provide technicians with better access to information in the field”. Some of the key benefits of using a mobility platform includes: empower technicians to solve problems, improve employee satisfaction with sufficient training and communication, increase first-time fixes.

Aberdeen categorized Best-in-Class organizations in their Field Service Workforce Management study as the top 20% of aggregate performers from the industry average. Characteristics of Best-in-class include:
- 87% performance in first-time fix rate
- 81% performance in worker utilization
- 11% annual improvement in worker productivity

Acknowledgements

PwC would like to thank the Trustees, Management and staff at Vancouver School District for their time and contributions to the Resource Allocation Review 2015. They have been very collaborative and sincere with providing ideas, feedback and supporting information. Their insight and support throughout the project was invaluable and appreciated.